



Consolidated Plan

**Annual Performance and Evaluation Report
(CAPER)**

**Commonwealth of Virginia
2010-2011 Reporting Period**

September 2011

**Department of Housing and Community Development
The Main Street Centre
600 East Main Street
Richmond, VA 23219**

Executive Summary

The mission of the Department of Housing and Community Development (DHCD) is to work in partnership, “to make Virginia’s communities safe, affordable, and prosperous places in which to live, work, and do business.” This document serves as a progress update as required by the U.S. Department of Housing Urban Development (HUD), on meeting these goals, particularly those that are related to the Community Planning and Development (CPD) programs:

- Community Development Block Grant (CDBG),
- Emergency Shelter Grant program (ESG),
- HOME Investment Partnership program (HOME), and
- Housing Opportunities for Persons with AIDS (HOPWA)

These are HUD programs administered through DHCD. Needs assessment data, goals and objectives, and specific methods for distributing these program allocations are found in the *Consolidated Plan Action Plan 2010-11*.

These CPD programs are integral components of broader efforts by the State through DHCD and other agencies to support the development or revitalization of communities throughout the Commonwealth. During the 2010-11 program year, and as outlined in the Consolidated Plan and 2010-11 Action Plan, Virginia pursued three broad priorities for allocating available housing resources and five priorities for allocating community development resources in support of housing and non-housing activities. DHCD developed strategies for each priority area and implemented appropriate actions toward their achievement.

The housing priority areas included increasing the availability and affordability of safe, decent, and accessible housing to low and very low-income persons; increasing the ability of communities to implement creative responses to community-based needs; and supporting policy development and research related to significant economic development, community development, and housing issues. Community development priorities stress assistance to locally identified areas of need addressing neighborhoods, housing resources, economic development opportunities, community facilities, and community service facilities. The Department’s strategies and actions offered direct assistance to citizens, localities, and other organizations. They also supported the State’s housing delivery system by addressing the current and future needs of housing providers, consumers, and communities.

The total federal 2010-11 allocation administered through the Department under these four federal Community Planning and Development (CPD) programs is about \$37.8 million.

Program	2010-11 Funding
Community Development Block Grants (CDBG)	\$21,295,759
HOME Investment Partnerships (HOME)	\$14,170,160
Emergency Shelter Grants (ESG)	\$ 1,675,621
Housing for Persons with AIDS (HOPWA)	\$ 703,999
*Total	\$37,845,989

*Total does not include any Stimulus funds.

DHCD also administered other federal funds, including Appalachian Regional Commission (ARC) community economic development programs; Department of Energy (DOE) weatherization/energy assistance monies; and 15 percent of Department of Health and Human Services (HHS) Low Income Home Energy Assistance Program (LIHEAP) funds made available through the Virginia Department of Social Services. In addition, state appropriations provided a critical source of flexible funding to complement available federal resources. State funds generally focused on specific housing and community needs, including the prevention of homelessness, the preservation and rehabilitation of existing homeowner, and the provision of safe drinking water.

The current reporting period covered by this CAPER is year three of five of the 2008-2012 State Consolidated Plan.

2010-11 Overall Goals and Results		
	Goal	Actual
CDBG	See program narrative	See program narrative
HOME	370 units completed	359 units completed
ESG	NA	7806 persons
HOPWA	200 households	279 households

Summary of Resources and Distribution of Funds

During the most recent reporting period, DHCD administered funds received from four Department of Housing and Urban Development (HUD) Community Planning and Development programs:

- Community Development Block Grant (CDBG) Program
- HOME Investment Partnership Program
- Emergency Shelter Grant (ESG) Program
- Housing Opportunities for Person with AIDS (HOPWA)

Generally, this funding is distributed through the Department of Housing and Community Development (DHCD) across the state of Virginia primarily in non-entitlement areas through partnerships with:

- Local governments,
- Local non-profits,
- Housing Authorities
- Housing developers, and
- Community Housing Development Organizations (CHDO).

These partners work to bring decent affordable housing, needed services, and community and economic development opportunities to some of Virginia's hardest to serve areas: areas that are typically rural and many localities in what are considered areas that are difficult to develop.

For the reporting period covered by this CAPER (2010-11), 100 percent of the ESG and HOPWA allocations are committed with 94 percent of ESG expended and 95 percent of HOPWA expended. Remaining 2010-11 ESG and HOPWA unexpended balances have been reallocated to 2011-12 ESG and HOPWA sub-grantees.

Summary of Resources and Distribution of Funds 2010-11				
	Allocation	Program Income	Percent Committed Sub-allocated	Percent Expended
CDBG	\$21,295,759	\$0.00	48%	0%
HOME	\$14,170,610	\$663,121	78%	7%
ESG	\$1,673,895	NA	100%	94%
HOPWA	\$703,999	NA	100%	95%

Source: PR01

State grantees need to make all of their ESG funds available to local government or nonprofit sub-grantees within 65 days of grant award, and spend them within the required 24 months (two years).

The state has met the deadlines for the obligation and expenditure of ESG funds.

ESG Contract Execution Dates and Expenditure Status		
<i>HUD/DHCD Contract</i>	<i>DHCD/Sub-grantee Contract</i>	<i>Fund Expended</i>
July 13, 2010	June 30, 2010	94 percent by June 30, 2011

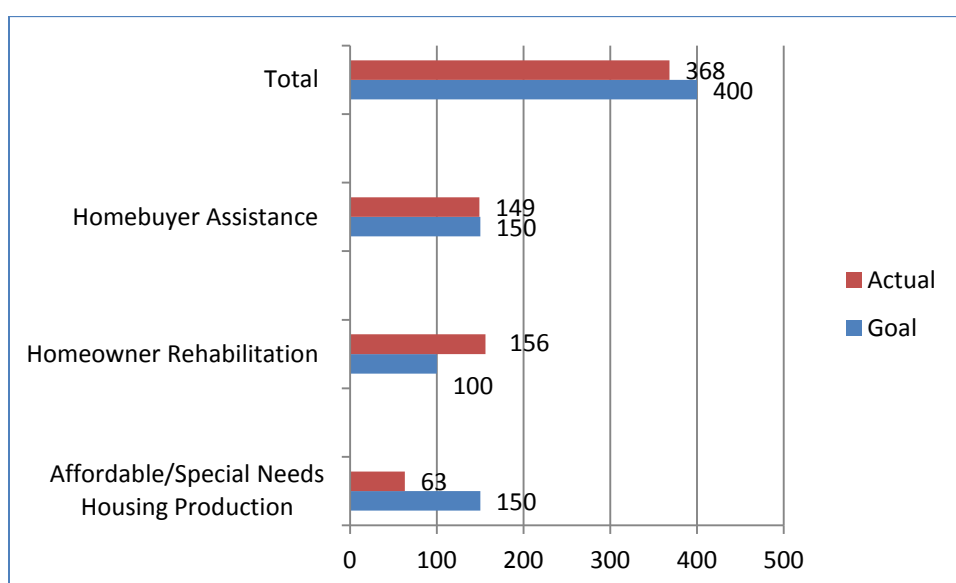
Progress on Goals

In program year 2010-11, the Department continued to work toward meeting housing needs across the entire Commonwealth--especially those associated with lower-income residents and citizens with special housing needs. DHCD focused on coordinating housing resources, strengthening the organizational and service delivery capacity of

housing providers, increasing the coordination between housing and community development activities, and seeking more innovative ways to leverage additional resources for housing and community development needs.

Overall DHCD has made substantial progress toward its five year goals. This report represents year three of five and as such shows that DHCD is on target to exceed its overall five year goals and its annual reporting period goals.

DHCD met 92 percent (368) of its annual goal of 400 units (excluding CDBG units) of decent affordable housing. This includes completing the development of affordable homeowner and rental units, the rehabilitation of homeowner units, and assisting low-income first-time homebuyers into affordable homeownership.



The Department planned to provide housing assistance to 200 low-income individuals with HIV/AIDS. At year end DHCD had served 279 households (281 individuals) with HIV/AIDS and their families. The Emergency Shelter Grant program assisted 7,806 individuals who were experiencing homelessness in Virginia during this program year.

All housing and assistance meets Section 215 definition of affordable.

Affirmatively Furthering Fair Housing

Virginia's efforts relating to fair housing include training events, investigative practices, and enforcement activities. Although these activities involve more than one state agency, there is a significant degree of coordination between them.

Virginia's Fair Housing Office (FHO) serves as the Commonwealth's primary fair housing investigative office. The FHO remains within the Virginia Department of Professional and Occupational Regulation (DPOR) and continues to investigate allegations of housing discrimination and educate housing providers and consumers about the fair housing law.

FHO investigated and closed 84 cases during the program year. Of these, the FHO conciliated 25 cases. The FHO therefore conciliated approximately 30 percent of its cases.

In program year 2010-2011, the FHO conducted some 84 training and outreach activities at numerous locations throughout Virginia. These included Virginia's annual housing conference, the annual conference of the Virginia Association of Realtors, homebuilder expos, apartment management association meetings, regional Realtor Association meetings, as well as smaller group and individual meetings. Approximately 8,000 individuals, including property managers, real estate professionals, newspaper staff, local building officials, housing builders, housing architects, housing consumers, and housing providers attended these sessions.

DHCD provides education and training activities designed to further the achievement of fair housing in communities participating in a variety of state-administered programs for housing and community development.

Virginia's state-administered CDBG and HOME Programs provide one focal point for activities furthering fair housing. Grantees must undertake at least one of several possible actions in the areas of enforcement and/or promotion of fair housing during each year that a CDBG or HOME project is active. One activity that will satisfy this requirement is attendance by a member of the local governing body or the chief local administrative official and a second local representative at a fair housing workshop approved by DHCD. Other options include: (1) adopting of a fair housing resolution and subsequent local advertising, (2) publishing and distributing fair housing brochures, (3) increasing local awareness of fair housing requirements through public education and information activities, (4) preparing a formal Assessment of Impediments, or (5) undertaking a survey of special housing problems affecting women and minorities and developing a plan to counter the effects of discrimination. DHCD requires that the selected actions are highly visible to the public and that they involve elected officials. Grantees must select a different fair housing activity for each year a grant is active and provide documentation of their completion.

DHCD is currently conducting an analysis of the impediments to fair housing. This will include a review of demographic trends, lending practices, fair housing complaints, and

current state policies. Input will be gathered from key stakeholders including but not limited to affordable housing developers, service providers, and client advocates during the Fall/Winter 2011-2012. A final report is anticipated for Spring 2012.

The prior analysis was completed in 2004 where DHCD undertook an assessment intended to identify impediments to fair housing choice within the jurisdiction that would serve as a basis for continuing actions that would overcome the effects of any impediments identified through the analysis. Because the state-administered, federally-funded programs cover a significant portion of Virginia's land area and population, the analysis took a broad perspective. It considered data sources that cover the entire state yet that are also indicative of general conditions that could be addressed through action at the state level. It included a review of pertinent demographic trends, a review of various indices of residential segregation, a consideration of mortgage lending activities reported because of the Home Mortgage Disclosure Act (HMDA), and a review of the circumstances of fair housing complaints brought before the state Fair Housing Office. In addition, and reflecting the concentration of fair housing complaints within the metropolitan regions of the state, the review also examined locally prepared analyses of impediments and the results of testing programs conducted by statewide or locally-based fair housing organizations and agencies. Finally, the Department surveyed 135 units of local government to assess the degree to which local authorities had recognized or responded to fair housing issues within the cities and counties of Virginia.

The assessment identified the following areas of concern:

- The effectiveness of Virginia's building regulations in assuring the accessibility of housing subject to the Fair Housing Act Accessibility Guidelines,
- The persistence of significant racial differentials in home ownership rates,
- The apparent confusion among persons involved in rental property transactions with respect to the concept of "accessibility",
- The significance of poor credit ratings on minority access to mortgage financing and the impact of "predatory lending" on the credit standing of lower income or minority households.
- The importance of assuring that program policies and regulations encourage actions that go beyond the minimum responses in addressing fair housing at the local level, and
- The recognition that laws and regulations must take into consideration potential impacts on the availability and affordability of a wide variety of housing options.

The assessment included a number of recommendations for action that could respond to the areas of concern. These included:

- Finding ways to assure that design professionals apply accessibility standards properly in their practice and code enforcement authorities meet their obligations to see that buildings meet current building regulations and therefore comply with the accessibility guidelines,
- Implementing new training requirements for real estate personnel that increase

- their awareness of fair housing requirements,
- Implementing new certification programs reaching certain unlicensed persons involved in residential rental transactions,
- Including an emphasis on the importance of credit maintenance in home ownership programs and homebuyer education activities undertaken through state housing entities and their local partners,
- Encouraging grantees of housing and community development programs to go beyond minimum requirements and to take other more proactive steps to facilitate actively fair housing access, and
- Participating in legislative and regulatory processes to raise questions or concerns about issues that could have adverse consequences for housing affordability or otherwise serve to impede the attainment of fair housing.

Since completing the assessment, DHCD has participated in efforts associated with the Virginia Housing Commission and the Building Code Academy that are intended to address some of the specific concerns it identified. In particular, state agencies have addressed new requirements for real property management employees, addressing awareness of fair housing and the inclusion of more emphasis on accessibility issues in implementing the Uniform Statewide Building Code.

Progress in Providing Affordable Housing

The HOME program completed a total of 368 housing units during the 2010-11 program year. Seventeen percent or 62 of these housing units were rental units whereby assistance was used for:

- Rehabilitation
- New Construction
- Units for Special Needs Households

Homeowner activities represent 83 percent (306 units) of the units completed during the program year including both direct assistance and development:

- Homeowner rehabilitation assistance
- Homebuyer development
- Homebuyer assistance

Please note that CDBG projects often benefit households indirectly as compared to HOME benefits. HOME primarily produces housing units for specific low-income households. The CDBG program completes primarily community-based community development and economic development projects that are intended to provided results on a neighborhood, community, and/or locality level.

Affordable housing related activities conducted through both the CDBG program and the HOME program benefit (direct and indirect) more than 28,000 low to moderate income households in Virginia.

Continuum of Care

The total coverage of the Balance of State Continuum of Care includes Planning Districts 1-4, 9, 13 and 14, 17 and 18, and 22. The Department is also responsible for the Homeless Management Information System (HMIS) for the balance of the state (initially awarded as a result of the 2005 CoC application). The HMIS will enable the state to better analyze the true nature of homelessness in Virginia and ensure that resources are allocated to appropriately match the needs. HMIS usage in the Balance of State is over 85 percent among homeless service providers. Beginning in 2007, DHCD has contracted with Homeward to administer the Balance of State HMIS system.

In conjunction with the Continuum of Care, the state administers both federal (ESG) and state funds to Shelter Support Grant (SSG) programs to help homeless families and individuals in emergency shelters and transitional housing facilities. In addition, the state implemented the Homeless Services Pilot Program for rapid re-housing/transition-in-place services to help homeless families and individuals. Grantees in the ESG entitlement cities are ineligible for funding from the state's Emergency Shelter Grant (ESG) component.

Temporary Assistance to Needy Families (TANF) Program funds available to DHCD through the Department of Social Services support SSG grantees. In 2010-11, a total of \$1,227,532 TANF funds supported State Shelter Grant Program eligible activities. In addition to TANF funds, \$2,923,051 of state general funds and \$2,177,751 of state homeless assistance funds support the State Shelter Grant Program.

During the year, DHCD allocated ESG funds based on a competitive application process (See ESG Section of this report for further details). SSG grants were allocated based on the number of beds available to serve the homeless (60 percent); shelter bed utilization (20 percent); and the level of support services (20 percent). Funding for seasonal facilities (e.g., winter shelters) was based on the average daily bed count and prorated for the number of months the shelter was in operation.

The Child Services Coordinator Grant (CSCG) program contributes support for a child service coordination and referral system in homeless shelters serving families with minor children. Nonprofit organizations and local governments receiving SSG funding and providing emergency shelter and transitional housing are eligible recipients of CSCG funds.

The CSCG program addresses the needs of homeless children through:

- Referrals to address health concerns;
- Referrals to address mental health concerns;
- Coordination with local Project Hope liaison; and
- Referrals as appropriate to Department of Social Services.

The Homeless Intervention Program (HIP) supports grants and loans (only applicable for mortgage assistance) that may be used for temporary mortgage or rental assistance, security deposits, and housing counseling for low-income households that are in imminent danger of becoming homeless. Nonprofit agencies and governmental entities, including cities, towns, counties, and redevelopment and housing authorities are eligible to apply for program funds through a competitive process. Twenty-six grantees or local administrators provided program services throughout the entire state during the 2010-11 program year.

DHCD allocated HIP funding totaling \$4,650,000 to 26 local administrators. The state general funds comprise \$4,050,000 of the HIP funding and the remaining \$600,000 in state homeless assistance funds.

In June 2010, the Homeless Outcomes Advisory Committee started meeting to develop a plan to:

- leverage state resources more effectively;
- maximize the effectiveness of State services and resources for individuals and resources for individuals and families who are homeless or at risk of homelessness;
- realize efficiencies through enhanced coordination and shared resources among State agencies; and
- reduce the number of individuals and families who are homeless.

In November 2010, the Homeless Outcomes Advisory Committee adopted five major goals and fifteen strategies. The five goals are:

1. Increase the number of permanent supportive housing units in the Commonwealth.
2. Increase flexibility of funding to prevent homelessness and support Rapid Re-housing for individuals and families.
3. Increase statewide data collection and system coordination.
4. Increase access to substance abuse and mental health treatment.
5. Evaluate, develop and ensure implementation of statewide, pre-discharge policies for the foster care system, hospitals, mental health facilities and correctional facilities.

Other Actions

The Action Plan included strategies addressing regulatory impediments to the preservation or creation of affordable housing. These strategies have shifted over time, reflecting recent achievements and changes in the circumstances influencing housing affordability. The Disability Commission underscored this by ranking housing needs

among the most significant concerns for persons with disabilities and by establishing a housing work group to develop responses. Among the Housing and Community Development actions included in the program year 2010-11 Action Plan, the Department indicated its intent to address a variety of barriers to affordable housing. Actions included continued support for uniform building code requirements for both new construction and rehabilitation—including accessibility requirements. The priority of addressing expanded housing opportunities for populations requiring supportive services called for increased involvement in efforts to promote housing accessibility for persons with disabilities. The Department indicated the need for continued scrutiny of regulations that can affect housing affordability. The Action Plan also proposed the following actions addressing the environment for the production or preservation of affordable housing:

- Continue to coordinate project funding through various sources in a way that will reduce nonessential duplicative requirements.
- Continue to administer a Uniform Statewide Building Code (USBC) that emphasizes the attainment of public health and safety goals for new construction and maintenance at the least cost, consistent with those goals.
- Promulgate a new edition of the USBC that incorporates updated provisions of the International Building Code, including those addressing the rehabilitation and productive reuse of existing residential and non-residential structures.
- Offer training through the Building Code Academy that focuses on the provisions of the USBC that facilitate the maintenance, rehabilitation, development, and reuse of existing buildings in accordance with those provisions.
- Promote the use of varied types of single-family dwellings in areas zoned agricultural and residential.
- Continue to scrutinize state enabling legislation, local land use ordinances, and introduced legislation with the potential to impede the production and preservation of affordable housing.
- Recommend support for legislation with the potential to increase housing affordability.
- Continue to consult with the homebuilding industry, local governments, and affordable housing advocates in considering the potential impact of state statutes and local regulations on affordable housing.
- Participate in the working groups of the Virginia Housing Commission that are focusing on the development of a statewide housing policy, including such issues as affordability, community revitalization, and blight removal.
- Work toward the implementation of the Virginia Housing Policy Framework.
- Participate in the Homelessness Outcomes and advisory subcommittee.
- Work on developing universal design standards.
- Work on developing green building standards.
- Pursue homeownership initiatives underway at the Department that assist lower-income households for the purchase of their first home.

The Action Plan includes many policy areas that require the active cooperation of other state agencies, local governments, and/or the participation of other public or private

entities. Thus, the Plan's primary role in the public policy arena is to provide a framework for ongoing State activities that implement various aspects of the Consolidated Plan. External factors may influence Plan implementation. This section of the Report examines progress in the areas identified in the Action Plan and describes changing circumstances that may require modifications to the strategies originally included in the Plan.

DHCD has continued to coordinate activities of the State's CDBG program, the Indoor Plumbing Rehabilitation program, and the Southeast Rural Community Action Program (SERCAP). These help provide adequate infrastructure—particularly on- and off-site water/wastewater facilities—for affordable housing. Despite continuing fiscal restraint, the legislature provided state funds for water supply improvements. The most recent biennium budget (covering the period from July 1, 2010 through June 30, 2012) includes \$1,636,884 each fiscal year for water/wastewater improvements in rural areas served by SERCAP.

Virginia has continued to follow its established policy of adopting a single set of uniform building regulations applicable to all new construction within the state. During the 2010 legislative session, the Department worked to sustain the consistency and uniformity of its building and fire safety regulations. The General Assembly enacted legislation requested by the Department to bring greater uniformity to the building code appeals process for industrialized (modular) and conventionally constructed buildings. The agency also continued to oppose efforts to fragment various provisions of the Uniform Statewide Building Code (USBC).

On July 26, 2010, the Board of Housing and Community Development adopted provisions for the 2009 edition of these critical regulations. This action followed an extensive public comment period that began in September 2009, numerous meetings of work groups considering specific issues, and formal public hearings. The 2009 edition of the USBC incorporates the International Code Commission's (ICC) model International Building Code (IBC). The latest edition of the IBC includes important new energy conservation and building safety requirements. Final regulations were published on September 27, 2010 and in effective on January 2011. Information about the regulatory process is available through Virginia's Regulatory Town Hall (<http://townhall.virginia.gov/>).

DHCD's training programs are as critical as the actual provisions of building and fire safety codes in meeting the state's commitment to implementing uniform regulation and code enforcement. Through its building code academy, DHCD trains those individuals in local governments charged with enforcing the building, rehabilitation, maintenance, and fire codes. DHCD has expanded training and information programs beyond code enforcement personnel to include opportunities for building contractors, architects, tradesmen, and others who must apply or meet the provisions of the USBC and SFPC for new and existing structures.

Leveraging Resources

Three primary housing initiatives continue to account for most of the leverage. Federal and state low-income housing tax credits stimulated private sector investment in affordable rental housing projects. The permanent financing (mortgage) that accompanies each affordable housing unit in the Homeownership Assistance Program accounts for a significant amount of leveraged private sector funding. Additionally, the availability of state, other federal and private sector funds to address various aspects of homelessness also accounts for a sizable amount of the funding leveraged by the CPD annual allocation.

Chart of Federal Resources (2010-2011)	
Source	Amount
CDBG	\$21.2 million
CDBG –R –multiple years	\$5.2 million
HOME	\$14.2 million
Emergency Shelter Grant	\$1.7 million
Housing Opportunities for Person with Aids	\$703,999
Neighborhood Stabilization Program HERA –multiple years	\$38.7 million
Weatherization (Department of Energy)	\$3.1 million
Weatherization (Department of Energy) ARRA –multiple years	\$94.1 million
LIHEAP (HHS)	\$16.1 million
Homelessness Prevention and Rapid Re-Housing ARRA – multiple years	\$11.4 million
TANF	\$1,227,532
Continuum of Care SHP HMIS	\$60,855
Appalachian Regional Commission	\$2.3 million

The CDBG Program leveraging for the 1995-2009 years are as follows:

1995	\$120.6 million	2003	\$40.7 million
1996	\$72.3 million	2004	\$46.6 million
1997	\$107.3 million	2005	\$86.3 million
1998	\$90.3 million	2006	\$158.0 million
1999	\$525.7 million	2007	\$ 267.5 million
2000	\$61.2 million	2008	\$17.5 million*
2001	\$121.1 million	2009	\$33.3 million
2002	\$33.4 million	2010	\$32.7 million

* Please note 2008 leverage amount is considerably lower since there were very few Community Economic Development (CED) projects in 2008.

Citizen Comment

The availability of the CAPER for public review and comment was posted the week of September 5, 2011, in six newspapers across the Commonwealth:

- The Bristol Herald
- The Lynchburg News Advance
- Potomac News
- Roanoke Times
- The Virginia Pilot
- The Free Press
- Richmond Times Dispatch

This public notice announced the availability of the CAPER for review on or before September 12, 2011 and that the Department would be accepting comments through the close of business on September 26, 2011. Any comments received would have been included at minimum in this section of the CAPER. As of the close of business September 26, 2011, no comments have been received by DHCD.

Self-Evaluation

Economic trends, state budget cuts, and resulting travel restriction has made it more challenging for the agency to access available training opportunities, particular those opportunities that involve travel outside the state of Virginia. Travel is limited to program-specific function such as monitoring, however the agency will continue to utilize where available any appropriate opportunities within the state.

The agency has continued to refine program-specific processes and procedures and anticipates on-going improvements in program results. These improvements include revised program guidelines, fund decision processes, and overall program and activity monitoring.

Monitoring

The Department has developed and implemented monitoring procedures for the regular monitoring of project sponsors, grantees, and sub-recipient. Monitoring is based on a risk assessment that factors in the last date a project, program, grantee, sub-recipient, or project sponsor was monitored, the total relative amount of award, current and previous performance, and program requirements. Any specific observations or findings are noted with program narrative section.

CDBG Program Narrative

DHCD directed 2010-11 year funds toward a wide and varied array of needs that are consistent with the CDBG program's overall program objectives and also reflect the specific needs of Virginia localities for improved housing, public facilities, public service facilities, economic development, and comprehensive redevelopment. In addition to the housing priorities included in the Action Plan, DHCD included five priorities and associated strategies for its CDBG program that address community development needs other than those related to housing:

CDBG 2008-09 Priorities, Strategies, and Accomplishments		
Priority	Strategies	Accomplishments
To assist local governments in increasing business and employment opportunities through economic development programs:	<p>Provide financial and technical support for the acquisition, development, rehabilitation, or expansion of business and industrial sites and facilities, <i>resulting in raising wage levels, retaining existing jobs, generating new jobs and employment opportunities, generating long-term employment, diversifying and expanding local tax bases and economies, and reducing the out-commuting of workers and out-migration of residents.</i></p> <p>Provide financial and technical support for the acquisition, development, and revitalization of commercial districts, resulting in increasing retail sales and property values in stagnating or declining commercial districts, retaining existing businesses, increasing the opportunities for small businesses in commercial districts, retaining existing jobs, and strengthening local tax bases.</p> <p>Provide financial and technical support for the development of entrepreneurial assistance programs including micro-enterprise assistance, business incubators, and similar efforts, <i>to result in creating assets among low-income persons, increasing employment opportunities, reducing unemployment, increasing wage levels, generating new jobs, generating long-term employment, and diversifying and expanding local tax bases.</i></p>	Eight (8) commercial/Industrial businesses received assistance during the period and, through new and ongoing economic development projects, at least 51% of all new or retained jobs will be LMI.
To assist local governments in improving neighborhoods and other areas through comprehensive community	Provide financial and technical support for the comprehensive improvement of residential areas, resulting in <i>revitalized neighborhoods including improved housing, water, sewer, road, and drainage conditions.</i>	See below.

CDBG 2008-09 Priorities, Strategies, and Accomplishments		
Priority	Strategies	Accomplishments
development programs:		
To assist local governments in improving the availability and adequacy of community facilities:	<p>Provide financial and technical support for acquisition of sites or rights-of-way for community facilities such as water, sewer, drainage, and streets, <i>resulting in basic facilities in areas where they are lacking.</i></p> <p>Provide financial and technical support for the installation, rehabilitation, or improvement of community facilities such as water, sewer, drainage, and streets, <i>resulting in basic facilities in areas where they are lacking, improving the quality of inadequate community facilities, enhancing the development potential of communities, and eliminating conditions detrimental to health, safety, and public welfare.</i></p>	CDBG-eligible communities have given a high priority to the areas of street, sewer and water, and commercial and industrial infrastructure. Grantees completed 20 sewer and water projects, 1 flood or drainage improvement, 10 street improvements, and 2 sidewalk improvement project
To assist local governments in improving the availability and adequacy of community service facilities:	<p>Provide financial and technical support for the acquisition of sites and/or structures for community services facilities, <i>resulting in new or expanded community services.</i></p> <p>Provide financial and technical support for the construction, rehabilitation, or improvement of community service facilities, to result in developing new structures, or rehabilitating or improving existing structures for the provision of new or expanded community services.</p>	Three (3) health care facilities and one childcare facility were in progress during the program year.
To assist local governments in conserving and improving housing conditions:	Provide financial and technical support for housing rehabilitation to result in reducing substandard housing conditions, conserving local housing stocks, stabilizing declining neighborhoods, promoting homeownership options, improving	Housing rehabilitation and other housing related activities, which eligible localities also

CDBG 2008-09 Priorities, Strategies, and Accomplishments		
Priority	Strategies	Accomplishments
	<p>standards of living, and enhancing the attractiveness of the community.</p> <p>Provide financial and technical support for acquisition and improvement of sites and/or facilities for low- and moderate-income housing to result in reducing the number of Virginia citizens in substandard housing, increasing the supply of housing, improving local standards of living, expanding housing opportunities, improving the quality of public facilities serving low- and moderate-income housing, and providing or improving basic public facilities serving low- and moderate-income housing.</p>	<p>identified as high priorities, included 414 housing rehabilitation units underway, 152 rehabilitations completed, and 8 households receiving homeownership creation assistance, all of which were low-to-moderate income.</p>

Changes in CDBG Program Objectives

There were no substantive amendments to the Consolidated Plan pertaining to CDBG program priorities and objectives during the program year; however, the 2010-2011 program design included ten administrative changes and four policy clarification items which are identified below:

Program Design Changes:

Planning Grants

- Project planning grants will be available for up to \$30,000 per project. This is an increase from the previous limit of \$25,000.
- Regional planning grants are available up to a maximum of \$40,000 per project. There are no longer additional conditions to receive \$50,000 and no specific amount of match is required.
- Business District Revitalization planning grants are eligible for up to \$35,000. There is no longer a threshold based on the locality size to determine the amount available.

Administration

- Competitive Community Facility grants are eligible for administration costs of 10% of the CDBG grant amount, up to a maximum of \$75,000. This is an increase from the previous cap of \$50,000.
- Exceedingly complex projects that involve the significant leveraging of private funds and merit on-going professional project management skills may be eligible for an additional administrative line-item, separate from the CDBG administration limit, to support the cost of these contractors.

Housing Rehabilitation

- Houses that require alternative septic systems are eligible for an additional \$5,000 in exceptions, up to a maximum of \$25,000, for the design and installation of the alternative system.
- An additional exception of up to \$800 in CDBG funds (in addition to the maximum allowable cap for exceptions) is allowable to cover the costs of the initial asbestos inspection and related test samples.

Rehabilitation Assistance Security

As a result of the Secure and Fair Enforcement of Mortgage Licensing Act of 2008 (SAFE Act) legislation, CDBG Grantees must choose one of three options in housing rehabilitation security instruments for all rehabilitation assistance.

1. Option one: The Grantee must have a person on staff who is a licensed Mortgage Loan Originator in order to recapture the investment from beneficiaries of housing improvement assistance.

2. Option two: The Grantee can opt to contract for all mortgage loan origination services with a licensed Mortgage Loan Originator.
3. Option three: The Grantee can opt to operate the program as a grant and only recapture the rehabilitation investment if the property is transferred or sold to someone other than the original beneficiary within ten years of the completion of construction.

Economic Development Category Determination

Financial assistance available under the CED Fund varies depending on the economic strength of the applicant localities. Localities' median household income has replaced the previous measure of median adjusted income for married returns in making these determinations. This change was made to better reflect the LMI target of the CDBG program.

Program Design Policy Clarifications

Efficiency Program Recommendation

All projects requesting CDBG funding are encouraged to consider a community's sustainability in their development. "Green" building techniques are encouraged to be made a part of all appropriate CDBG projects.

Community Facility

Applicants should target having user agreements in place for at least 80% of the households in the project area for a water project.

Citizen Participation

The requirement for the draft of the CDBG proposal that must be available at the second public hearing has been clarified.

Ability to Pay

CDBG grantees that use the ATP option must be licensed as mortgage brokers and perform activities in compliance with the SAFE Act.

Program Beneficiaries

The State, through its allocation of CDBG funding to local grantees, has met the national objectives and complied with the overall benefit requirements for the program year as with previous program years. Because an essential criterion governing this program is that benefits primarily reach persons with low- and moderate-incomes, DHCD has consistently sought to assure that they remain well above the minimum threshold. As the accompanying tables illustrate, for the 2009-10 program year, as in the two decades, the majority of all benefits have accrued to the target population. The percentage benefits from the most recent

years may be expected to change—generally showing an increase—as additional projects are closed out.

CDBG LMI Benefits, 1987-2010 Program Years

Program Year	1987	1988	1989	1990	1991	1992	1993	1994
% LMI Benefit	100	100	100	100	98.9	99.3	99.3	98.6
Program Year	1995	1996	1997	1998	1999	2000	2001	2002
% LMI Benefit	91.5	90.5	93.9	92.3	80.8	86.1	88.3	88.2
Program Year	2003	2004	2005	2006	2007	2008	2009	2010
% LMI Benefit	84.3	87.7	93.4	96.2	86.6	80.8	82.1	82.2

Activities Involving Occupied Real Property —Anti-Displacement and Relocation

DHCD's efforts to minimize displacement focus on securing the commitment of grantee localities to minimize the displacement of individuals, families, and businesses in implementing projects using state-administered CDBG funds. This includes direct displacement resulting from real property acquisition, rehabilitation, demolition, and conversion and any indirect displacement. In general, except in instances of disaster recovery operations, relocation has been associated with homeownership activities where households or individuals occupy units whose condition fails to meet Section 8 housing quality standards. If displacement is necessary, then agency personnel work with the local grantee to assure that proper notice is provided to the affected parties in accordance with Section 104(d) of the Community Development Act and the federal Uniform Relocation Assistance and Real Property Acquisitions Policies Act.

Localities seeking Community Improvement Grant funding must certify that they will minimize displacement at the local level and that they will follow a Residential Anti-displacement and Relocation Assistance Plan that includes a one-for-one replacement provision. Each recipient of Community Improvement Grant funding must provide financial benefits and advisory services on an equitable basis to any individual or entity involuntarily and permanently displaced because of a CDBG-assisted activity. In 2007, the Agency required any projects seeking to use eminent domain for acquisition and/or relocation to use non-CDBG funds for this activity. Projects with willing participants were allowed to use CDBG funds to assist with acquisition and relocation.

There were permanent relocation and several temporary relocations related to housing rehabilitation activities.

Economic Development Activities with CDBG Funds—Low/Moderate Income Job Activities

As the responsible agency, DHCD works to assure that economic development projects funded through the state-administered CDBG program meet targeted levels for low- and moderate-income job opportunities. Federal regulations permit potential grantees to use one of two approaches to meet their LMI benefit obligation. The first option is to employ LMI persons in at least 51 percent of the available positions. Under this option, the locality or assisted business will retain documentation of the income status of employees. The second option is to establish procedures to ensure that LMI persons will receive first consideration for employment. Under this option, the job qualifications must be limited to possession of a high school diploma or its equivalent. No special training should be required. A third-party, single point of contact for application screening, such as the Virginia Employment Commission, is typically used. This contact will maintain all LMI documentation. The employer must hire only those persons screened by this third party.

In addition, the required job creation must occur within two years of the date of completion of the private investment, while the private investment must be completed within two years of the commencement of the CDBG-funded grant agreement. All of the job creation requirements are incorporated into a formal agreement between the agency and the grantee. Businesses failing to meet the job requirements are subject to a non-performance penalty contained in these agreements.

Low/Moderate Income Clientele Activities

DHCD also attempts to assure that the State's distribution of program funds remains consistent with national program objectives and the priority objectives identified in the Consolidated Plan, the Action Plan, and the CDBG program design. The following table summarizes the overall distribution of funds for the years since 2001.

Percentage Distribution of CDBG CIG Funds by State Objective and Program Year

Objective	2001	2002	2003	2004	2005
Comprehensive Community Development*	40.80	20.77	17.26	28.90	26.48
Economic Development	9.38	24.68	17.95	17.49	21.40
Housing	13.30	26.86	21.17	27.12	23.25
Community Facilities	32.15	14.36	33.02	14.57	26.09
Community Services Facilities	4.37	13.33	10.61	11.92	2.78

Objective	2006	2007	2008	2009	2010
Comprehensive Community Development*	27.40	18.17	9.19	31.18	11.86
Economic Development	30.08	29.41	34.25	14.74	21.61
Housing	24.13	9.58	32.40	21.48	44.98
Community Facilities	10.91	26.89	17.39	29.48	11.59
Community Services Facilities	7.48	15.95	6.77	3.12	9.96

**Comprehensive Community Development Projects include housing rehabilitation as well as public facility components.*

To the degree that the applications received by the Department make it possible, DHCD attempts to meet the needs identified through its planning and public participation processes. Shifts in the pattern of distribution among priority objectives do not reflect the state's preference for one priority over another; instead, they mark the changing perceptions of grant applicants responding to local community needs. Changes in regional or local economic conditions, shifting demographics, or the effects of significant weather-related disasters may

affect the pattern. The variety of funded projects has helped Virginia's localities respond to the need for improvements in their economic and physical environments, reduce the incidence of blight, and respond to a variety of differing threats to the health, safety, and welfare of citizens.

Program Income Received

During 2010-11, DHCD received program income from the grants listed on the table below by grantee, category of activity, date received, and amount.			
Description	Category	Date	Amount Received
CDBG FLOYD TOWN 07-31	Economic Development	8/5/2010	1,517.76
CDBG CUMBERLAND COUNTY DW-13	Dry Well	9/3/2010	703.31
CDBG FLOYD TOWN 07-31	Economic Development	3/7/2011	3,035.52
CDBG NOTTOWAY COUNTY 08-24	District One HSG Substantial Reconstruction	3/14/2011	1,893.00
CDBG FLOYD TOWN 07-31	Economic Development	5/25/2011	1,517.76
CDBG CUMBERLAND COUNTY DW-13	Dry Well	8/19/2011	602.66
Total	\$9,270.01		

Prior Period Adjustments

Activity Name & Number	Program Year Reported	Amount Returned	Returned to LOC or Program Account
CDBG WISE COUNTY 06-27	2010	224.16	From Wise County IDIS 10919 Admin to Chase City 09-14 IDIS 12414 Admin
CDBG CUMBERLAND COUNTY DW-13	2010	703.31	Applied to Town of Blackstone, Downtown Revitalization, CDBG Grant#06-35, IDIS# 11412 - Upper story Housing
CDBG STEPHENS CITY TOWN 08-08	2010	2,153.14	used against 11-05 South Hill IDIS# 13191 Sewer Improvements
CDBG STEPHENS CITY TOWN 06-23	2010	2,973.33	Use against 11-05 South Hill IDIS#13191- Sewer Improvements
CDBG LURAY TOWN 05-40	2010	15,422.19	Returned funds offset by 09-18 Town of Kilmarnock IDIS 12726 - Admin

Loans and Other Receivables

There are no float-funded activities at present. There is currently one outstanding loan with Accomack Truss-Tech. Inc. with a principal balance of \$77,844.85

Neighborhood Revitalization Strategies

Tables in the following pages of the report summarize the achievements in non-housing areas based on the closeout process. Substantial additional information on specific projects and overall performance is contained in the Performance Evaluation Report (PER), which DHCD's Community Development Division

prepares and which is available for public review and comment. This document contains more detailed presentations of the financial status of the previous years' grants, including amounts obligated by contract or offer and any amounts remaining unobligated at the close of the reporting period.

Summary of Community Development Accomplishments
Public Facilities and Improvements
Commonwealth of Virginia 2008 - 2010 Three-Year Certification Period

Priority Need Category	Priority	Actual Number of Projects Assisted in			Actual Number of Projects Completed in		
		2008	2009	2010	2008	2009	2010
Public Facilities	H	0	0	0	0	0	0
Senior Centers		1	1	1	0	0	0
Handicapped Centers		0	0	0	0	0	0
Homeless Centers		0	0	0	0	0	0
Youth Centers	H	0	0	0	0	0	0
Neighborhood Facilities	H	1	0	3	1	0	0
Child Care Centers	M	0	0	0	1	0	0
Parks and/or Recreation Facilities	M	1	0	3	2	1	1
Health Facilities	H	3	3	4	5	5	3
Parking Facilities	L	0	0	0	1	1	1
Abused/Neglect Facilities		0	0	0	0	0	0
AIDS Facilities		0	0	0	0	0	0
Other Public Facilities	M	5	6	8	2	1	0

Summary of Community Development Accomplishments
Public Facilities and Improvements
Commonwealth of Virginia 2008 - 2010 Three-Year Certification Period

Priority Need Category	Priority	Actual Number of Projects Assisted in			Actual Number of Projects Completed in		
		2008	2009	2010	2008	2009	2010
Public Improvements							
Solid Waste Improvements	M	0	0	0	0	0	0
Flood/Drainage Improvements	M	2	4	5	5	2	1
Street Improvements	H	12	15	20	32	20	10
Sidewalk Improvements		3	3	4	19	10	2
Water and Sewer Improvements	H	27	36	62	69	38	20
Asbestos Removal		0	0	0	0	0	0
Other Infrastructure		0	0	0	0	0	0

Summary of Community Development Accomplishments
 Businesses Assisted and Job Creation
 Commonwealth of Virginia 2008 - 2010 Three-Year Certification Period

Priority Need Category	Priority	Actual Number of Businesses Assisted in 2008-2010 - OPEN			Actual Number of Businesses Assisted in 2008-2010 COMPLETED		
		2008	2009	2010	2008	2009	2010
Economic Development							
Commercial/Industrial Rehabilitation *	M	6	6	6	129	110	60
Commercial/Industrial Infrastructure Improvements	H	0	0	0	7	0	0
Commercial/Industrial Rehab Acquisition, Construction, Rehabilitation		0	0	0	127	0	0
ED Direct Financial Assistance to For-Profits		0	0	0	4	4	4
ED Technical Assistance		0	0	0	0	0	0
Micro-Enterprise Assistance	M	0	0	2	0	0	0

Priority Need Category	Priority	Actual Number of Jobs Created in 2008-2010 - OPEN			Actual Number of Jobs Created in 2008-2010 - COMPLETED		
		2008	2009	2010	2008	2009	2010
Economic Development							
Commercial/Industrial Rehabilitation *	M	0	0	0	0	0	0
Commercial/Industrial Infrastructure Improvements	H	28	18	28	413	231	83
Commercial/Industrial Rehab Acquisition,		0	0	0	0	0	0

Priority Need Category	Priority	Actual Number of Jobs Created in 2008-2010 - OPEN			Actual Number of Jobs Created in 2008-2010 - COMPLETED		
		2008	2009	2010	2008	2009	2010
Construction, Rehabilitation							
ED Direct Financial Assistance to For-Profits		31	31	31	21	0	0
ED Technical Assistance		0	0	0	0	0	0
Micro-Enterprise Assistance	M	0	35	35	0	60	0

*Includes Façade Improvements

2011 CDBG Grant Offers

* Grant offers subject to change during contract negotiation period.

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<i>Project Title, Locality, and Chief Elected Official</i>	<i>Districts and Elected Representative</i>	<i>Funding</i>
Church Street Community Improvement Project <i>Multi-Year Funding</i>		
<u>Blackstone</u> , Town of William D. Coleburn Mayor	Senate: 18. Lucas, L. Louise House: 60. Edmunds, James E., II, 61. Wright, Thomas C., Jr.	CDBG \$ 852,660 Local 78,769 TOTAL \$ 931,429
Hurley Regional Water Project, Phase IIIA		
<u>Buchanan</u> , County of J. Carroll Branham, Chairman Board of Supervisors	Senate: 38. Puckett, Phillip P. House: 3. Morefield, James W.	CDBG \$ 700,000 State – AML 3,000,000 SWVA Water/Waste Water 300,000 Coalfield Water Development Fund 400,000 Local 1,600,000 TOTAL \$ 6,000,000
Dickinson Well Filtration System <i>Letter of Intent</i>		
<u>Buena Vista</u> , City of J. Mikel Clements Mayor	Senate: 25. Deeds, R. Creigh House: 24. Cline, Benjamin L.	CDBG \$ 1,000,000 Local 1,613,566 TOTAL \$ 2,613,566
Thompson's Knoll Green Mixed-income Housing Production Project		

<u>Lexington</u> , City of Mimi Elrod Mayor	Senate: 24. Hanger, Emmett W., Jr. 25. Deeds, R. Creigh House: 24. Cline, Benjamin L.	CDBG \$ 700,000 Federal HOME 40,000 Private 3,250,000 Local 480,000 TOTAL \$ 4,470,000
<p align="center">Spruce/Matson Housing Rehab Project <i>Multi-Year Funding</i></p>		
<u>Marion</u> , Town of David P. Helms Mayor	Senate: 38. Puckett, Phillip P. 40. Wampler, William, Jr. House: 4. Johnson, Joseph P., Jr. 5. Carrico, Charles W., Sr.	CDBG \$ 622,780 Local 30,000 TOTAL \$ 652,780
<p align="center">Rich Creek Assisted Living Facility <i>Letter of Intent</i></p>		
<u>Rich Creek</u> , Town of Gary Eaton Mayor	Senate: 21. Edwards, John S. House: 6. Crockett-Stark, Anne B. 12. Shuler, James M.	CDBG \$ 700,000 New River Valley HOME 315,000 Private 592,000 Local 2,585 TOTAL: \$ 1,609,585
<p align="center">Pinewood Heights Phase II Redevelopment Project <i>Multi-Year Funding</i></p>		
<u>Smithfield</u> , Town of David M. Hare Mayor	Senate: 13. Quayle, Frederick M. 18. Lucas, L. Louise House: 64. Barlow, William K. 75. Tyler, Roslyn C.	CDBG \$ 1,000,000 Housing Choice Voucher 63,000 Federal HOME 89,800 Local 1,214,706 TOTAL \$ 2,367,506
<p align="center">Halifax Dental Clinic Project</p>		

<u>South Boston</u> , Town of Carroll Thackston Mayor	Senate: 15. Ruff, Frank M., Jr. House: 60. Edmunds, James E., II	CDBG \$ 700,000 Tobacco Commission 150,000 Enterprise Zone 70,000 Private <u>1,097,635</u> TOTAL \$ 2,017,635
<p align="center">Drytown Sewer Project <i>Letter of Intent</i></p>		
<u>Tazewell</u> , Town of Dr. Charles Grindstaff Mayor	Senate: 38. Puckett, Phillip P. House: 3. Morefield, James W. 6. Crockett-Stark, Anne B.	CDBG \$ 600,000 DEQ 821,392 Local <u>235,475</u> TOTAL \$ 1,656,867
<p align="center">Waynesboro Downtown Revitalization Project</p>		
<u>Waynesboro</u> , City of Frank S. Lucente Mayor	Senate: 24. Hanger, Emmett, Jr. House: 25. Landes, R. Steven	CDBG \$ 770,000 VDOT 816,000 Private 175,000 Local <u>362,500</u> TOTAL \$ 2,123,500
<p align="center">Bold Camp Sewer Project Phase II</p>		
<u>Wise</u> , County of Dana Kilgore, Chair Board of Supervisors	Senate: 38. Puckett, Phillip P. 40. Wampler, William, Jr. House: 1. Kilgore, Terry G. 2. Phillips, Clarence E.	CDBG \$ 825,000 Southern Rivers Water <u>190,875</u> TOTAL \$ 1,015,875
<p align="center">Hamilton Town Sewer Extension</p>		
<u>Wise</u> , County of Dana Kilgore, Chair Board of Supervisors	Senate: 38. Puckett, Phillip P. 40. Wampler, William, Jr. House: 1. Kilgore, Terry G. 2. Phillips, Clarence E.	CDBG \$ 500,000 Rural Dev. Loan 856,922 Rural Dev. Grant <u>510,838</u> TOTAL \$ 1,867,760

HOME Program Narrative

The 2010-11 HOME allocation was targeted at meeting goals and objectives in four funding categories:

- Community Housing Development Organizations (CHDO) activities
- Affordable Housing Preservation and Production Program
- Indoor Plumbing and Rehabilitation Program
- Homeownership Assistance Program

CHDO Activities

The Department supports the development of CHDO (Community Housing Development Organizations) activities through the HOME allocation set-aside of 15 percent to state-certified CHDOs. This set-aside and the certification requirements help to assure the development of experienced community-based housing developers that are dedicated to producing affordable housing in Virginia communities.

As a result of these activities DHCD has committed more than \$40 million (16 percent of the accumulative HOME allocation) to CHDOs since 1992, exceeding the required 15 percent requirement.

Virginia Commonwealth CHDO HOME Set-aside Since 1992			
Total Accumulative HOME Allocation	Reserved for CHDOs	Committed to CHDO Projects	Disbursed to CHDO Projects
\$258,148,468	\$41,155,822.70	\$40,665,654	\$34,977,358.94

Source: IDIS PR27 Report

Twenty-two community-based housing developers are CHDO-certified by DHCD. Currently 10 of the certified CHDOs have projects in underwriting or in construction that are supported by state HOME program financing.

CHDO Name	Locality*
Accomack-Northampton Housing and Redevelopment Corporation	Accomack
Albemarle Housing Improvement Program	Charlottesville
Central Virginia Housing Coalition	Fredericksburg
Chesapeake Bay Housing, Inc.	Urbanna
Community Housing Partners Corporation	Christiansburg
Giles County Housing and Development Corporation	Pearisburg
H.O.P.E.	Wytheville
Hope Community Builders	Harrisonburg
Housing Opportunities Made Economical	Fredericksburg
Housing Partners, Inc.	Williamsburg
Nelson County Community Development Foundation	Lovington
Petersburg Community Development Corporation	Petersburg
Piedmont Housing Alliance	Charlottesville
Project Crossroads	Marion
Project Faith, Inc.	King George
Rush Homes	Lynchburg
Scenario, Inc.	Newton
S.C.O.R.E	Brunswick
Southside Outreach Group	South Boston
Southwest Virginia Housing Corporation (People Inc.)	Bristol
Telamon Corporation	Gretna
The Center for Community Development, Inc.	Portsmouth

*Locality is based on organizational mailing addresses, not necessarily location of CHDO projects or service areas.

Current projects include ten CHDOs with more than \$5.5 million in active projects either in underwriting or under development.

CHDO Projects (in underwriting)			
<i>Program Year</i>	<i>CHDO</i>	<i>Project</i>	<i>Amount</i>
2009-10	Virginia Supportive Housing	The Crossings at 4 th and Preston	\$700,000
2010-11	Project Faith	Angel Court	\$500,000
2010-11	People Inc.	Tom's Brooks School	\$483,167
2010-11	People Inc.	Bristol Supportive Housing	\$100,000

CHDO Projects (under development)			
<i>Program Year</i>	<i>CHDO</i>	<i>Project</i>	<i>Amount</i>
2009-10	Telamon	W.I. Powell Homes	\$500,000
2009-10	Giles County Housing Development Corporation	Woodrum Manor	\$500,000
2009-10	People	Riverside Apartments	\$500,000
2009-10	Accomack Northampton	Mill Run Phase II	\$700,000
2009-10	Community Housing Partners	Parkview Apartments	\$500,000
2009-10	H.O.P.E	Deerfield Phase II	\$500,000
2009-10	H.O.P.E	Hillcrest Apartment	\$390,000

2010-11	Community Housing Partners	Dora Highway	\$200,000
2010-11	Total Action Against Poverty	Homes on Kenswick	\$348,870
2010-11	S.C.O.R.E	Silver Trails	\$500,000

Community Integration Pilot Program

This program has \$100,000 in HOME funds to bridge the transition from institutional setting to community-based housing for individuals. The program was in a developmental stage and will not be moving forward. No HOME funds were disbursed during the 2010-11 program and the \$100,000 was allocated to other eligible HOME activities for the 2011-12 program year.

Affordable Housing and Special Needs Housing (ASNH) Program

The Department reserved \$6.2 million in HOME Investment Partnership Funds for the Affordable and Special Need Housing Production for the 2010-11 program year. Projects were selected through a quarterly, open, competitive application process. A review panel is utilized to score each proposal on how well the project meets local housing needs (40 percent), project feasibility (30 percent), and development team capacity (30 percent). A proposal must meet basic eligibility criteria including scoring a minimum of 60 points in order to be eligible for funding. All eligible proposals are then ranked based on scores and funding reservations are made to specific projects based on highest to lowest score until a quarter of the annual program reservation (\$6.2 million) has been reserved. If the full quarter of funds is not reserved it is carried over to the next quarter. For the first, second, and third quarters, if a proposal does not receive a reservation of funds, the project sponsor has the option of carrying the proposal, with or without modifications, over to the subsequent quarter. No proposals may be carried over from the fourth quarter to the next program year.

The competitive application and review process resulted in 13 projects that will receive an offer of HOME funds.

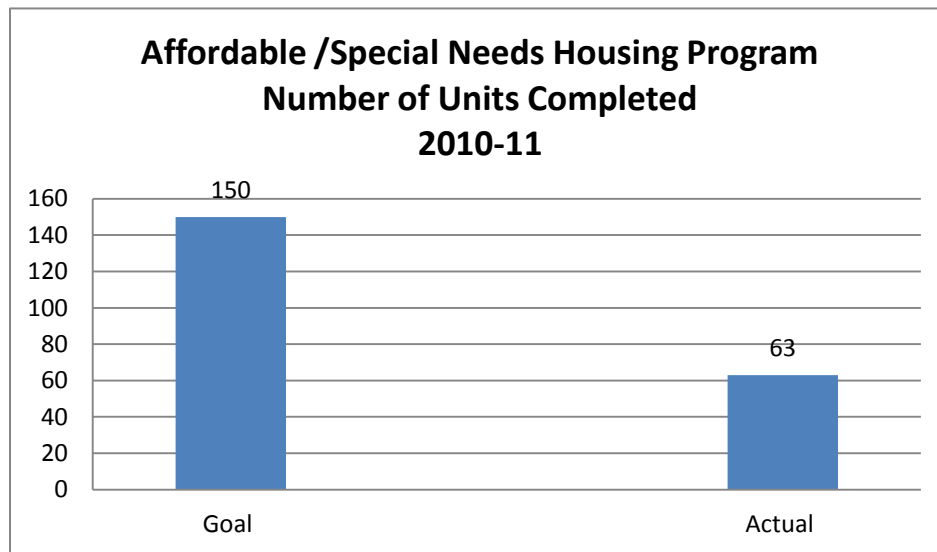
2010-11 Affordable and Special Needs Reservations		
Project	Developer	HOME Funding
Montague Terrace	Humanities Foundation	\$500,000
Dora Highway	Community Housing Partners	\$200,000
Homes on Keswick	Total Action Poverty	\$384,870
Mountain View	Waynesboro RHA	\$500,000
Angel Court	Project Faith	\$500,000
Commonwealth Apartments	Wise County RHA	\$500,000
Tom's Brook School	People Inc.	\$483,167
Timberlake Place	JABA	\$700,000
Bristol Supportive Housing	People Inc.	\$100,000
Silver Trail	S.C.O.R.E.	\$500,000
Herons Landing	Virginia Supportive Housing	\$700,000
Cedar Grove Apartments	VA Beach CDC	\$540,000
Phelps Road	Lynchburg Community Action Group	\$700,000
Totals		\$5,608,037

The actual reservation is less than the 2010-11 allocation for the Affordable and Special Needs Housing program. Funds not committed during the 2010-11 application process will be made available during through the 2011-2012 application process.

The program typically provides gap financing using flexible, below-market-rate loans to support projects for the development and preservation of affordable housing for low-income Virginians including those with special needs. The expectation is to stretch these funds as far as possible to achieve the greatest number of units possible for the dollars committed. In meeting this goal, funds are used with other types of financing. These include Low-Income Housing Tax Credits, bond financing, and other public and private funds. Additionally, these funds fill the gap in permanent financing to make affordable housing project feasible.

While there are a number of projects in the pipeline, current market conditions have resulted in projects taking longer to develop including requiring longer periods of time to secure full financing. Despite these challenges DHCD selected 10 projects for underwriting.

During the same period of time the Department completed 63 (42 percent) of 150 units goal of affordable housing units.



Indoor Plumbing Rehabilitation Loan Program (IPR)

The Department allocated a total of \$6,630,000 (including state funds) in 2010-2011 for the IPR Program, which assists low- to moderate-income homeowners whose houses lack complete indoor plumbing. This year the program was operated as a grant due to SAFE Act legislation. Those sub-recipients who secured the services of a mortgage loan originator continued to require repayment based on the family's ability-to-pay, not to exceed 25 percent of adjusted monthly income in housing related costs. Any recaptured funds revolve locally to provide for additional revenue to resolve housing needs. The Program received a \$2,130,000 general fund appropriation for State FY 2010 and received a \$4,500,000 allocation from the 2010-2011 federal HOME funds.

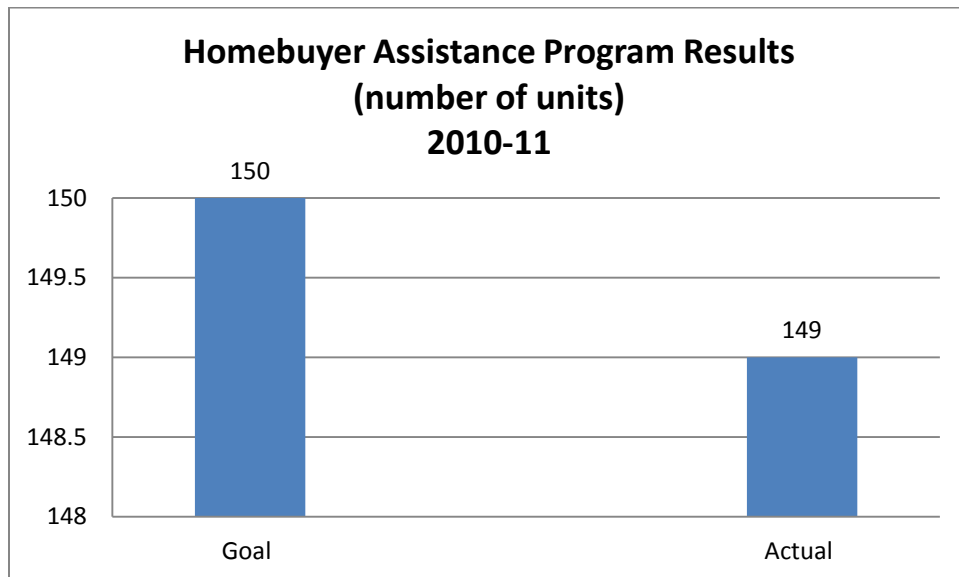
The IPR Program improves substandard housing through general rehabilitation by installing indoor plumbing in units lacking complete facilities (or those where existing water supply or waste water disposal systems are failing). Completed houses must comply with DHCD's Field Guide for Housing Quality Standards (DHCD-HQS). Local organizations apply to become sub-recipients under the program. Once local governments certify them, they receive a contract and may request funds for performance, home ownership creation, and matching funds.

To-date the DHCD's sub-recipients have completed 77 units with program year 2011 funding at an average cost of \$52,937 per unit in this program. There were 57 units completed with HOME allocated funds and 20 with the general fund appropriation. One-hundred percent of the program beneficiaries were households at or below 80 percent AMI. The largest populations served were in the categories of elderly and those with incomes at or below 30 percent AMI.

Monitoring is performed annually for high performing sub-recipients and twice a year for all others. Skilled program administrators spend eight to twelve hours reviewing files on-site to ensure compliance with administrative oversight, applicant/contractor records, financial management, federal compliance, client file checklist and housing rehabilitation field inspections. Formal letters are sent summarizing any findings, concerns or recommendations noted during the monitoring visit and responses are due within 30 days. Technical assistance is provided throughout the program year by conducting site visits, workshops and conferences, email and telephone contact.

Homebuyer Assistance Program

In the 2010-11 program year, the Department made available approximately \$2,500,000 (including program income and the HOME allocation), through homebuyer assistance programs. A total of 149 first-time homebuyers were completed between July 1, 2010, and June 30, 2011. Approximately 95 percent of these clients are households at or below 60 percent AMI. The remaining are those at or below 80 percent AMI.



A total of 16 organizations expended \$1,607,323 or 64 percent of the total allocated to the DPA program for the 2010-11 program year. The balance will be de-obligated and reallocated during the 2011-12 program year.

DPA Sub-Recipient	Amount
Blue Ridge Housing Network	\$64,380
People Inc.	\$161,140
Central Shenandoah PDC	\$173,223
Central Virginia Housing Coalition	\$6,000
FAHE	\$63,000
Habitat for Humanity	\$352,919
Hampton Roads PDC	\$33,300
Southside Community Development Housing	\$84,547
Housing Opportunities Made Equal	\$166,200
Lynchburg Neighborhood Development Foundation	\$18,345
Petersburg RHA	\$59,512
Piedmont Housing Alliance	\$167,710
Providential Credit Care Management	\$33,420
Telamon	\$62,600
Total Action Against Poverty	\$102,995
VHDA	\$58,032
Total Expended	\$1,607,323

HOME Match Report

DHCD met match requirements for the HOME program through the state allocation utilized in the Indoor Plumbing and Rehabilitation Program, which finances low-income substantial homeowner rehabilitation activities, and through bond financing. For this reporting period, more than \$31 million in excess match from prior years was combined with \$2.8 million in 2009-10 match contribution for a net amount of approximately \$33 million to be carried over into the 2010-11 program year.

HOME Match Summary (2010-11)	
Excess Match from Prior Years	\$31,680,419.74
Match Contribution from 2010-11*	\$1,897,985
Total Match (sum from above)	\$33,578,404.90
Match Liability for 2010-11	<\$4,282,749.21>
Excess Match to be Carried over to 2010-11	\$29,295,655.69

*Bond financing is not current included in the calculation of the 2010-2011 match contribution, but will be included as the data becomes available.

HOME MBE and WBE Report

Based on its review of information contained in project completion forms, staff estimates that for the current year participation by minority-owned businesses in HOME-funded activities approximates 25 percent of contracts, 23 percent of subcontracts, and two percent of the supplier measured by the number of contracts. Four percent of the contracts, three percent of the sub-contracts, and seven percent of the suppliers were women-owned business enterprises.

Part III Minority Business Enterprises (MBE) and Women's Business Enterprises (WBE). In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period (see next page).

	a. Total	Minority Business Enterprises				f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	
A. Contracts 1. Number	52	0	0	13	0	39
2. Dollar Amount	\$1,768,315.34	\$0.00	\$0.00	\$476,258.00		\$1,292,057.34
B. Sub-Contracts 1. Number	91	0	0	21	2	68
2. Dollar Amount	\$695,423.83	\$0.00	\$0	\$239,893.90	\$2,800	\$452,729.93
C. Suppliers 1. Number	42	0	0	1	0	41
2. Dollar Amount	\$370,354.09	\$0.00	\$0	\$3,500.00	\$0	\$366,854.09

	a. Total	b. Women Business Enterprises (WBE)	c. Male
C. Contracts			
1. Number	52	2	50
2. Dollar Amount	\$1,768,315.34	\$60,457.00	\$1,707,858.34
B. Sub-Contracts			
1. Number	91	3	88
2. Dollar Amount	\$695,423.83	\$11,600.00	\$683,823.83
C. Suppliers			
1. Number	42	3	39
2. Dollar Amount	\$370,354.09	\$5,675.84	\$364,678.25

Results from Inspections of Rental Housing

DHCD has worked to update its HOME rental project monitoring procedures by implementing an online reporting system for rent and occupancy reports, which also notifies DHCD staff of required upcoming Housing Quality Standard (HQS) inspections for its HOME rental project portfolio.

During the spring and summer of 2010, DHCD inspected 113 HOME-assisted rental projects, encompassing close to the entirety of DHCD's HOME rental project portfolio. From these inspections, two properties were required to make minor repairs to comply with the HQS requirements. The remaining rental projects were found to be in compliance with HQS requirements.

HOME Jurisdiction's Affirmative Marketing Actions

The State remains committed to fair and equal housing opportunities in all of its programs and initiatives. To meet the Affirmative Marketing requirements of the HOME program, project sponsors are required to develop a marketing plan. This plan indicates how the project will be marketed to the target income group required by the funding sources. In addition, all project sponsors are notified of and are required to comply with all applicable federal, State, and local laws prohibiting discrimination in housing.

DHCD requires sponsors to adopt affirmative marketing procedures and requirements. The Department will review draft strategies submitted with the project applications and require sponsors to submit their final or adopted strategies for review and approval before giving its final funding commitment. These procedures and requirements must include the project sponsor's methods for informing all parties of the fair housing laws and policies, requirements and

practices that the owner must carry out to assure the widest possible outreach, record keeping requirements, and the method for assessing the marketing strategy.

Additionally, CHDO certification and recertification is in part based on compliance with affirmative marketing policy that includes annual participation in affirmative marketing activities.

VHDA provides loan servicing and asset management for all projects funded by DHCD. Their management review includes verifying that the project has a marketing and resident selection plan that is consistent with all applicable requirements. If not in compliance, they will advise the owner and DHCD. VHDA will alert DHCD to any problems they observe in the implementation of a project's marketing plan and selection criteria.

Outreach to Minority and Women-Owned Business

Minority and women's business enterprise outreach requirements apply to all housing programs administered by DHCD. Project sponsors are required to facilitate participation by women-owned and minority-owned business enterprises. This includes dividing procurement for goods, services, and contracts, where possible, into small segments; establishing delivery schedules to encourage minority and women owned business participation; publishing notices via legal advertisement in regional newspapers of anticipated contracts, services, and procurement; maintaining solicitation lists; giving construction contractors copies of this solicitation list; including goals for women-owned and minority-owned businesses in construction contract documents; and, maintaining a register of all minority-owned and women-owned enterprises actually used.

Sponsors must provide DHCD with contract documents and individual project goals at the time that the project sponsor is preparing bid specification packages. Project sponsors are responsible for requiring contractors to submit information on minority and women-owned enterprises.

DHCD is strongly committed to the establishment, preservation and strengthening of small, women- and minority- owned businesses. DHCD has adopted a Small, Women and Minority-Owned Business (SWAM) agency policy whereby businesses will be identified, solicited, and encouraged to participate in the procurement activities of the agency, and whereby records will be maintained, documenting such solicitation efforts and participation.

Solicitations obtained under \$5,000 will include a written quote from one or more SWAM certified vendor. Exceptions must be approved by the Associate Director of Administration.

Solicitations obtained over \$5,000 and up to \$50,000 will include a minimum of four valid sources, including a minimum of two SWAM certified vendors in writing or electronically.

Solicitations over \$50,000 will include a minimum of six valid sources, including a minimum of four SWAM certified vendors in writing or electronically.

Any solicitation wherein the aforementioned number of SWAM businesses cannot be solicited requires advanced approval and must be documented in the comments section of the purchase order for approval.

The award will be made to the lowest responsive and responsible bidder; however, the award may be made to a reasonably-priced minority or women-owned business that is not the lowest priced bidder.

HOPWA Program Narrative

This section of the CAPER covers the performance of the HOPWA program, including the distribution of funds among identified needs, the activities carried out by recipients of program funds, and a summary of HOPWA program beneficiaries.

The 2010-11 HOPWA program was administered through nine project sponsors across the state of Virginia. These project sponsors served a total of 281 individuals with HIV/AIDS who received:

- Short-term rent, utility, and mortgage assistance (STRUM);
- Tenant-based rental assistance (TBRA); and
- Supportive services, including permanent housing placement.

Currently, the state HOPWA program encompasses 31,749 square miles. Based on the most recently available surveillance data from the Virginia Department of Health (2010), 4,234 persons with HIV and/or AIDS were residing in one of the localities under the state HOPWA program. From 2004-2009, there were 861 persons newly diagnosed cases of HIV in the localities under the state HOPWA program. These statistics are based on the number of cumulative cases of HIV and AIDS reported per locality through March 31, 2011, excluding deceased cases.

Emergency housing continues to present challenges for persons living with HIV or AIDS. Compared to suburban and urban counterparts, homeless shelters are not as readily accessible in rural areas, and those programs available are frequently open only to targeted homeless populations, such as victims of domestic violence or those with a physical or mental disability. In addition, consumers cannot satisfy programming requirements for employment and/or job training.

Housing needs of persons living with HIV or AIDS often mirror those of the disabled population. Consumers desire to live within close proximity of their primary medical providers and their support networks of family and friends and reside in housing that allows them to maintain maximum independence with access to needed community support systems. Tenants sometimes require accessible dwellings, yet cannot locate such units or afford to construct wheelchair ramps and add interior modifications.

Similarly, in the predominantly rural areas of the state HOPWA program, persons living with HIV and AIDS often struggle with the same housing deficiencies faced by other rural residents. For example, consumers frequently live in substandard living conditions which exacerbate their health conditions, such as lack of indoor plumbing, inadequate heating and cooling, faulty electrical systems and weakened structural elements (i.e. roofs and flooring). Due to limited housing

affordability, consumers accept these inferior units and other unconventional housing situations.

Consumers with fixed incomes of approximately \$600/month are acutely rent-burdened, paying upwards of 80 percent of their income on housing expenses, particularly in suburban areas of Northern Virginia with extremely high rents. In addition, subsidized housing programs are closed, with waiting lists in excess of three years. Tenant-based rental assistance through the HOPWA program is often the only immediate option for permanent housing stability. Still, administrators have encountered difficulty identifying landlords in the respective service areas willing to work with housing subsidy programs due to the stigma arising from past subsidized housing experiences, conformance with Housing Quality Standards (HQS) inspections, and concerns related to administrative requirements. Finally, due to the substance abuse histories of some consumers, it is imperative that housing be located in appropriate neighborhoods not plagued with crime and drug trafficking, which can encourage substance abuse setbacks.

When the Department participated in the development of an HIV/AIDS Housing Plan, it found through surveys of Virginians living with HIV/AIDS that the large majority (72 percent) of respondents were earning less than \$1,000 per month. Nearly one-third were paying more than 50 percent of their income for housing. At the same time, about one-quarter reported that their income supported another person; 18 percent reported that their household included children. Two-thirds remained in the locality where their infection was first diagnosed. These survey respondents also indicated that many other factors other than their HIV status affected their daily lives and their ability to afford and maintain stable housing. These included substance abuse, a history of homelessness, criminal histories, and other disabilities.

To assist consumers with residential stability, service providers must complement housing services with supportive services. Some of the supportive services needs of persons living with HIV or AIDS are: case management (including life skills training), budgeting and/or credit counseling, transportation assistance through bus or taxi vouchers, support groups, and social activities, legal advocacy, landlord-tenant advocacy, food pantries, substance abuse treatment/intervention programs, and guidance in accessing entitlement programs for which they may qualify.

Project sponsors have been involved with several collaborative efforts related to servicing HOPWA eligible clients. The most predominant collaboration is between the project sponsors and their local health departments. The health departments provide case management services that are funded through Ryan White. These health departments are subcontractors for Ryan White Title II funding and very close coordination assures no overlap of services. Ryan White CARE Act funds have assisted clients to obtain medical care, medications,

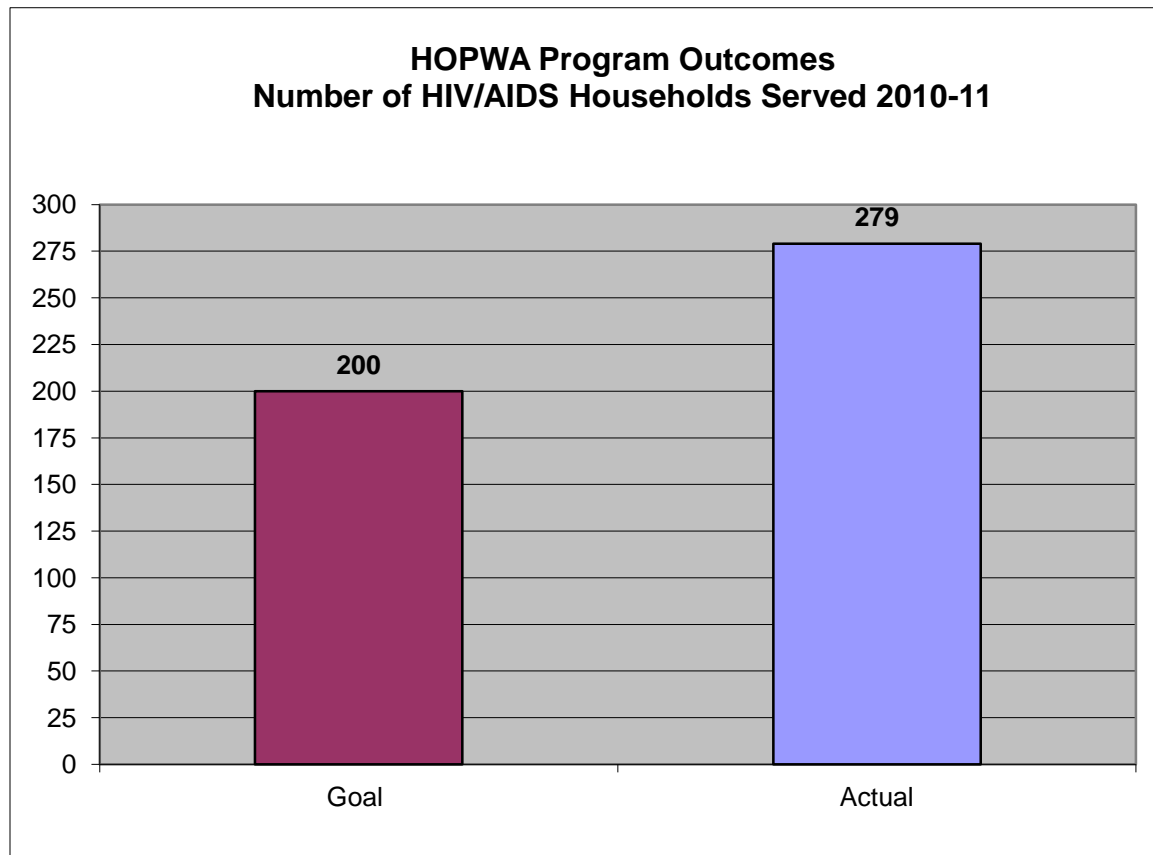
diagnostic tests, and nutritional supplements that clients cannot afford. Also, project sponsors have decreased the transportation expenditures since Ryan White Title II funds also pay for transportation services. In most cases, case managers at the health departments monitor transportation funded by Ryan White Title II. These collaborative efforts allow project sponsors to direct HOPWA funds toward housing needs – tenant based rental assistance, short-term rental, utility, and mortgage assistance.

2010-11 HOPWA Project Sponsors				
Sub-grantee (Project Sponsor)	Service Area(s)	Housing Activities	Supportive Services	Amount
Eastern Shore Health District	Counties of Accomack and Northampton	<ul style="list-style-type: none"> Short-term rent, utility and mortgage payments Tenant-based rental assistance 	<ul style="list-style-type: none"> Case Management 	\$2,430.53
Blue Ridge AIDS Support Services, Inc. (BRASS)	Counties of Roanoke, Botetourt, Craig, Alleghany, Montgomery, Pulaski, Giles and Floyd and Cities of Roanoke, Salem, Covington and Radford.	<ul style="list-style-type: none"> Tenant-based rental assistance 	<ul style="list-style-type: none"> Case Management 	\$119,596.78
Lynchburg Community Action Group, inc.	Counties of Appomattox, Amherst, Bedford, Prince Edward, Charlotte, and Campbell and Cities of Lynchburg and Bedford	<ul style="list-style-type: none"> Short-term rent, utility and mortgage payments Tenant-based rental assistance 	<ul style="list-style-type: none"> Case management Transportation Food/food bank Support Group 	\$56,623.09
AIDS Response Effort, Inc.	Counties of Shenandoah, Page and Frederick and City of Winchester	<ul style="list-style-type: none"> Short-term rent, utility and mortgage payments Tenant-based rental assistance Permanent housing Placement 	<ul style="list-style-type: none"> Case management Food/food bank 	\$71,176
AIDS/HIV Services Group	Counties of Albemarle, Greene, Nelson and Fluvanna and the City of Charlottesville	<ul style="list-style-type: none"> Short-term rent, utility and mortgage payments Tenant-based rental assistance 	<ul style="list-style-type: none"> Case management 	\$133,992.67
Fredericksburg Area HIV/AIDS Support Services	Counties of King George, Madison, Orange, Rappahannock, Westmoreland, and Culpeper	<ul style="list-style-type: none"> Tenant-based rental assistance Short-term rent, utility and mortgage payments Permanent housing Placement 	<ul style="list-style-type: none"> Case management Transportation 	\$96,427.00
Valley AIDS Network	Counties of Rockingham, Bath, Rockbridge, Augusta, Highland, Page and Shenandoah and the Cities of Lexington, Staunton, Waynesboro, and Harrisonburg	<ul style="list-style-type: none"> Short-term rent, utility and mortgage payments Tenant-based rental assistance Permanent housing placement 	<ul style="list-style-type: none"> Case management 	\$64,788.68

2010-11 HOPWA Project Sponsors				
Sub-grantee (Project Sponsor)	Service Area(s)	Housing Activities	Supportive Services	Amount
Piedmont Community Services	Counties of Henry, Patrick and Franklin, Stuart and City of Martinsville	<ul style="list-style-type: none"> • Short-term, emergency rental assistance • Tenant-based rental assistance • Permanent housing placement 	<ul style="list-style-type: none"> • Transportation • Food/food bank • Support group • Case Management • Substance Abuse Counseling 	\$46,458.00
Pittsylvania Community Action Inc.	Pittsylvania, Danville	<ul style="list-style-type: none"> • Tenant-based rental assistance • Short-term rent, utility and mortgage payments 	<ul style="list-style-type: none"> • Case Management 	\$86,645.64

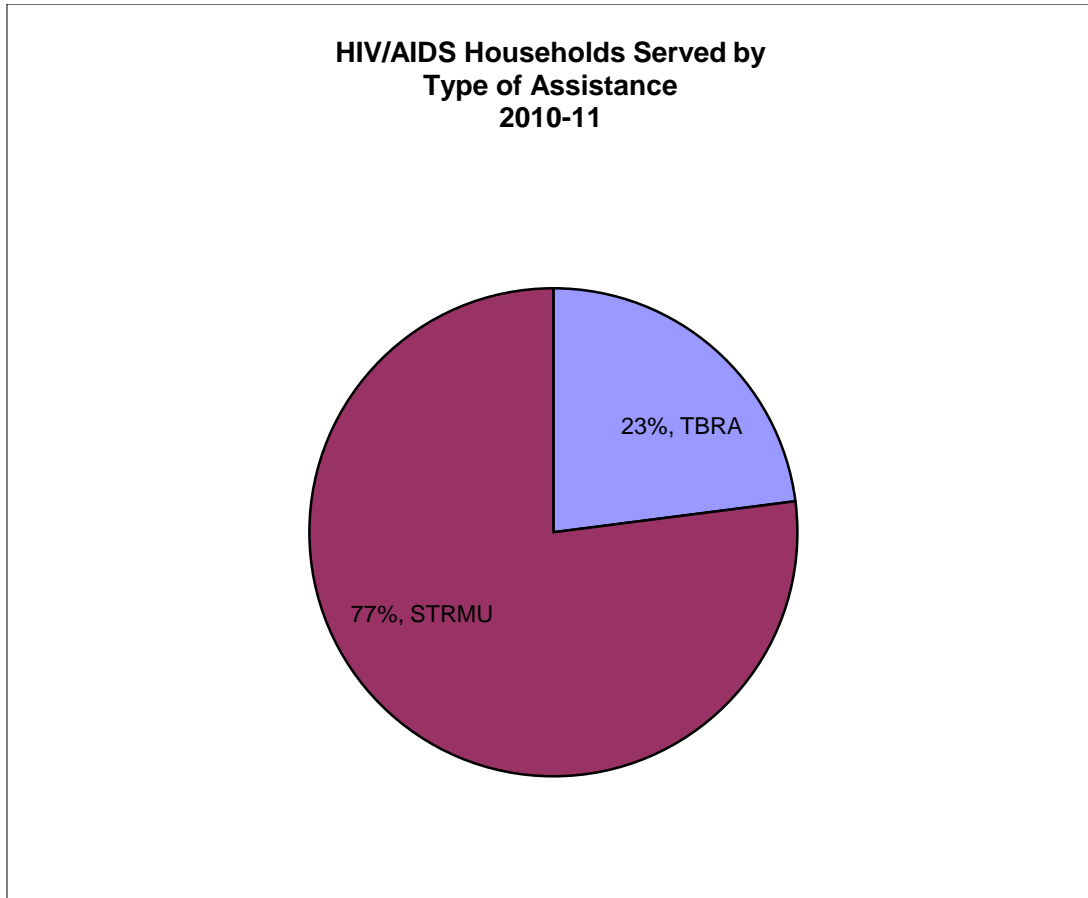
HOPWA Program Accomplishment

To date, the majority of 2010-11 allocations have been expended and it is expected that the remaining amount will be obligated/committed in the 2011-2012 program year. The Department sought to provide housing assistance to 200 low-income households with HIV/AIDS. At year end DHCD project sponsors served 279 households with HIV/AIDS and their families.



Source: 2010-11 HOPWA CAPER

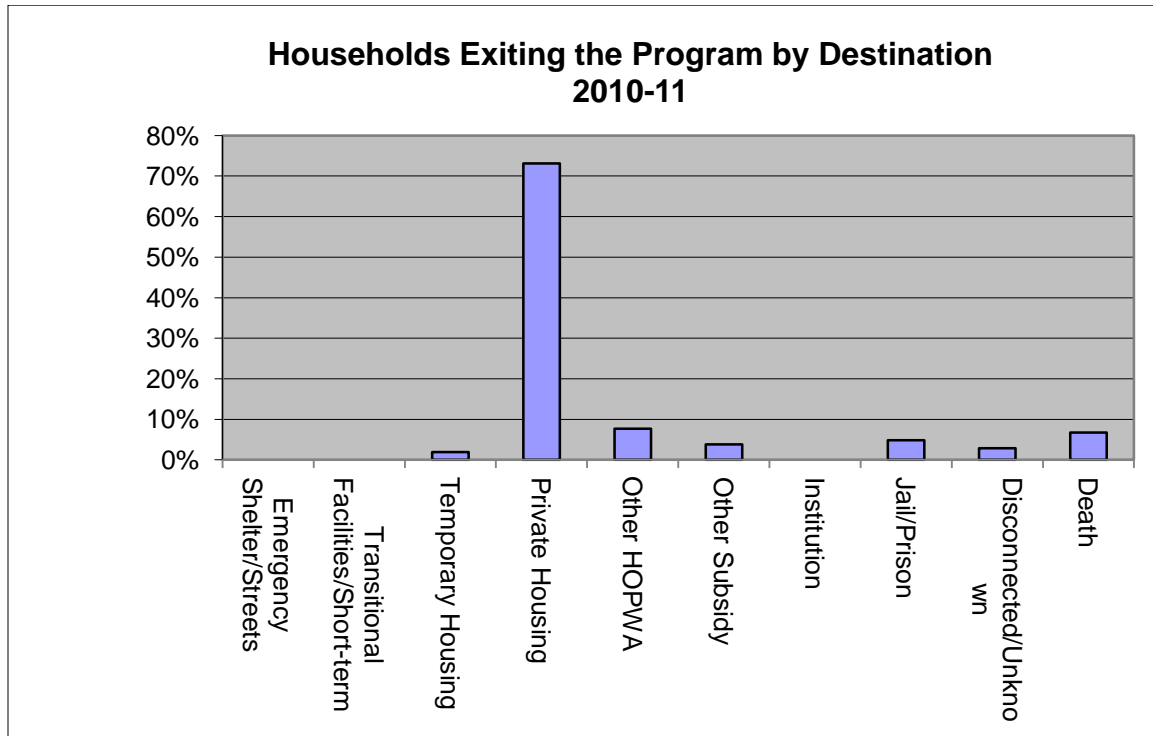
Twenty-three percent of all households served were assisted with tenant-based rental assistance (TBRA) and seventy-seven percent of households were assisted short-term rent, mortgage, and utility assistance (STRMU).



Source: 2010-11 HOPWA CAPER

A total of 104 households* exited the state HOPWA program during the program year. Eighty-five percent of the households exited the program to stable/permanent housing.

**In addition to 84 exiting households, 65 households were designated as likely to continue with TBRA and 124 households as likely to continue with STRMU assistance in the following program year.*



Source: 2010-11 HOPWA CAPER

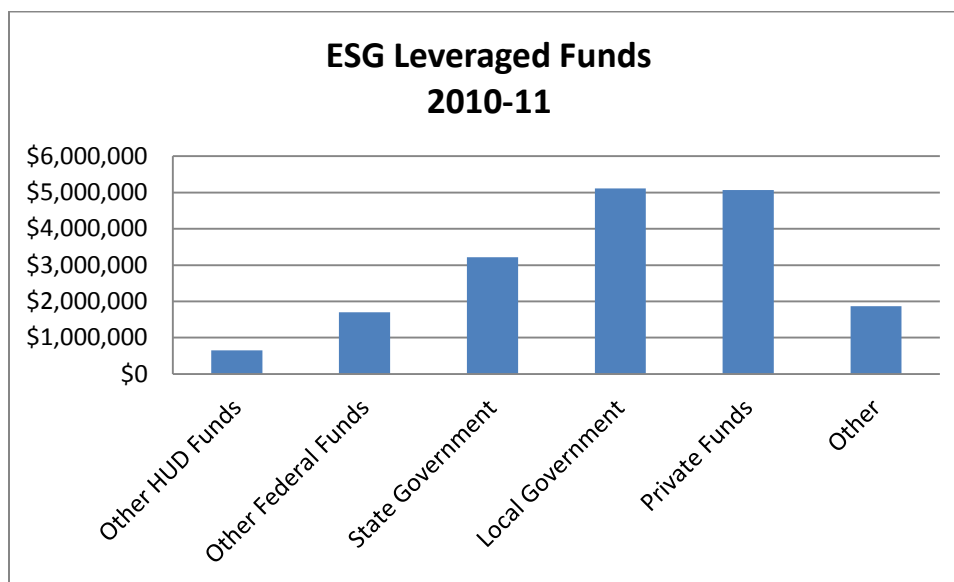
Emergency Shelter Grant (ESG) Program Narrative

The Emergency Shelter Grant program is a significant component of the state's overall effort to address a variety of needs of the homeless and for homelessness prevention, as previously discussed in the Continuum of Care section. The primary use of the federal funds component is to support of homeless shelter providers through the shelter support services program, which allocated both state and ESG funds to 116 shelter providers across the state.

Assessment of Relationship of ESG funds to goals and objectives

During the 2010-11 program year, the Emergency Shelter Grant funded 38 homeless service organizations consisting of 47 homeless services programs across the state of Virginia.

These funds leverage other needed resources through the state included a state shelter support program and TANF funding made available through the Department of Social Services to address homeless needs in Virginia communities.



The shelter providers supported in part by the ESG component addressed two key state strategies for meeting the overall priority of providing additional support and coordinated services for the state's homeless population. These included (1) continuing to provide safe and sanitary emergency shelter that meets basic needs and provides necessary supportive services and (2) increasing the availability of transitional housing facilities and services.

Additional discussion of the use of ESG funds in conjunction with other funding sources in meeting the Consolidated Plan's homeless and homelessness

prevention priorities may be found in the “Continuum of Care” section of this report.

Matching Resources

ESG requires a one-to-one match on federal funds awarded. Due to findings from the most recent ESG monitoring, DHCD no longer requires the sub-grantees to provide matching funds, and instead has elected to provide all the matching funds for the total award through the State Shelter Grant (SSG). The State Shelter Grant funds were expended by organizations providing homeless services. See attachment for documented match allocations.

State Method of Distribution

The state allocation minus five percent for state/local government administrative costs was allocated to sub-grantees (non-profits and units of local governments) in ESG non-entitlement localities. These are localities that do not receive a direct ESG allocation from HUD. Sub-grantees were selected for the July 1, 2010 - June 30, 2011 program year based on a competitive application process.

Proposals were reviewed and ranked by a proposal review panel based on the following criteria:

- Need (maximum 50 points)
- Approach (maximum 25 points)
- Capacity (maximum 25 points)

Proposals needed to receive a score of at least 60 points in order to receive funding. ESG funding commitments were based on scores, request amount, and available funding.

The federally-funded ESG program provides funding to emergency shelter and transitional housing programs to support shelter maintenance, operation, essential services, and administrative funding in non-entitlement areas of Virginia.

All ESG grantees selected for funding during the 2010-11 program year had funding commitments executed within one month of DHCD’s HUD authorization of funding. Specifically, ESG funding commitments were executed on June 30, 2010. All 2010-11 sub-grantee activity commitments are 99 percent drawn (2010, IDIS PR02).

Status of ESG Funding	
Total 2010-11 ESG Appropriation	\$1,675,621
Total Expended by Sub-Recipients (ESG Activities)*	\$1,574,111.11
ESG Program Administration	\$83,781

**Includes funds de-obligated from 2009-10 activities.*

2010-11 ESG sub-grantees		
Organization	ES G Project	Amount
CITY OF ALEXANDRIA (OFFICE ON WOMEN)	Battered Women's Shelter	\$11,687.12
CITY OF ALEXANDRIA (DHS)	Alexandria Winter Shelter	\$22,973.74
CITY OF ALEXANDRIA (DHS)	Alexandria Community Shelter	\$66,500.00
ARLINGTON COUNTY GOVERNMENT	Emergency Winter Shelter	\$49,540.00
ARLINGTON-ALEXANDRIA COALITION FOR THE HOMELESS	Sullivan House Shelter	\$45,882.00
AVALON: CENTER FOR WOMEN AND CHILDREN	Domestic Violence Emergency Shelter	\$50,000.00
CARPENTER'S SHELTER, INC.	Residential Shelter	\$72,050.00
CARPENTER'S SHELTER, INC.	Transitional Shelter	\$32,120.00
CHOICES, COUNCIL ON DOMESTIC VIOLENCE FOR PAGE COUNTY	Domestic Violence Emergency Shelter	\$24,278.75
CLINCH VALLEY COMMUNITY ACTION, INC.	Family Crisis Services	\$12,000.00
COMMUNITY HOUSING PARTNERS CORPORATION	CHP Transitional Housing Program (Sally's House and Brick Row)	\$45,000.00
COMMUNITY LODGINGS, INC.	CLI Transitional Housing	\$35,000.00
CROSSROADS, INC.	Crossroads Emergency Shelter	\$48,326.05
DOORWAYS FOR WOMEN AND CHILDREN	Freddie Mac Foundation Family Home	\$50,000.00
DOORWAYS FOR WOMEN AND CHILDREN	Safehouse	\$50,000.00
FAMILY CRISIS SUPPORT SERVICES, INC.	FCSS, Inc.	\$26,700.00
FAMILY CRISIS SUPPORT SERVICES, INC.	Guest House Emergency	\$21,515.00
FIRST STEP: A RESPONSE TO DOMESTIC VIOLENCE	First Step: A Response to Domestic Violence	\$17,500.00
FOR KIDS, INC.	Suffolk House	\$50,000.00
GOOD SHEPHERD HOUSING ALLIANCE, INC.	Emergency Housing Program for Women and Children	\$34,512.00
GOOD SHEPHERD HOUSING ALLIANCE, INC.	Transitional Housing Program for Women and Children	\$19,150.00
HAMPTON-NEWPORT NEWS COMMUNITY SERVICES BOARD	HNNCSB Emergency Housing	\$6,482.72
HANOVER SAFE PLACE	HSP Emergency Shelter	\$26,268.00
HARMONY PLACE	Emergency Shelter	\$23,970.00
HARRISONBURG AND ROCKINGHAM THERMAL SHELTER, INC.	Emergency Thermal Shelter	\$5,645.00

LAUREL SHELTER, INC.	Domestic Violence Shelter	\$12,000.00
LOUDOUN COUNTY DEPARTMENT OF FAMILY SERVICES	Loudoun Emergency Homeless Shelter Program	\$40,000.00
MERCY HOUSE, INC.	Homeless Family Long-term Emergency Shelter Program	\$50,000.00
MICAH ECUMENICAL MINISTRIES	Residential Recovery Program	\$45,139.51
MICAH ECUMENICAL MINISTRIES	Cold Weather Shelter	\$17,394.00
NEW RIVER FAMILY SHELTER	New River Family Shelter	\$18,500.00
NORTHERN VIRGINIA FAMILY SERVICE	Singles Shelter	\$50,000
NORTHERN VIRGINIA FAMILY SERVICE	Family Shelter	\$50,000
PEOPLE AND CONGREGATIONS ENGAGED IN MINISTRY	PACEM	\$12,000.00
PEOPLE INCORPORATED OF VIRGINIA	Transitional Housing	\$50,000.00
PORTSMOUTH AREA RESOURCES COALITION, INC.	PARC Family Shelter	\$34,560.43
RAPPAHANNOCK COUNCIL ON DOMESTIC VIOLENCE	RCDV's Haven, Domestic Violence Shelter	\$12,899.15
SALVATION ARMY OF ALEXANDRIA	Turning Point Transitional Housing Program for Women and Children	\$14,198.20
SALVATION ARMY OF PETERSBURG	The Salvation Army Men's Shelter	\$16,222.40
SHENANDOAH ALLIANCE FOR SHELTER	Transitional Housing	\$19,937.90
ST. JOSEPH'S VILLA	Flagler House	\$40,000.00
THE LAUREL CENTER INTERVENTION FOR DOMESTIC AND SEXUAL VIOLENCE	Residence Sheltering Program	\$20,779.94
THURMAN BRISBEN HOMELESS SHELTER, INC.	Homeless Services	\$50,000.00
TRANSITIONS FAMILY VIOLENCE SERVICES	Transitions Family Violence Services	\$44,000.00
VOLUNTEERS OF AMERICA CHESAPEAKE, INC-ARLINGTON	Residential Program Center	\$42,379.20
WOMEN'S RESOURCE CENTER OF THE NEW RIVER VALLEY, INC.	Emergency Shelter	\$50,000.00
WOMEN'S RESOURCE CENTER OF THE NEW RIVER VALLEY, INC.	Transitional Shelter	\$37,000.00
TOTAL		1,574,111.11

**Total includes Local Government Administration funds that are drawn from the total allowable DHCD administration funds (five percent); therefore it does not match the Status of ESG Funding Chart above.*

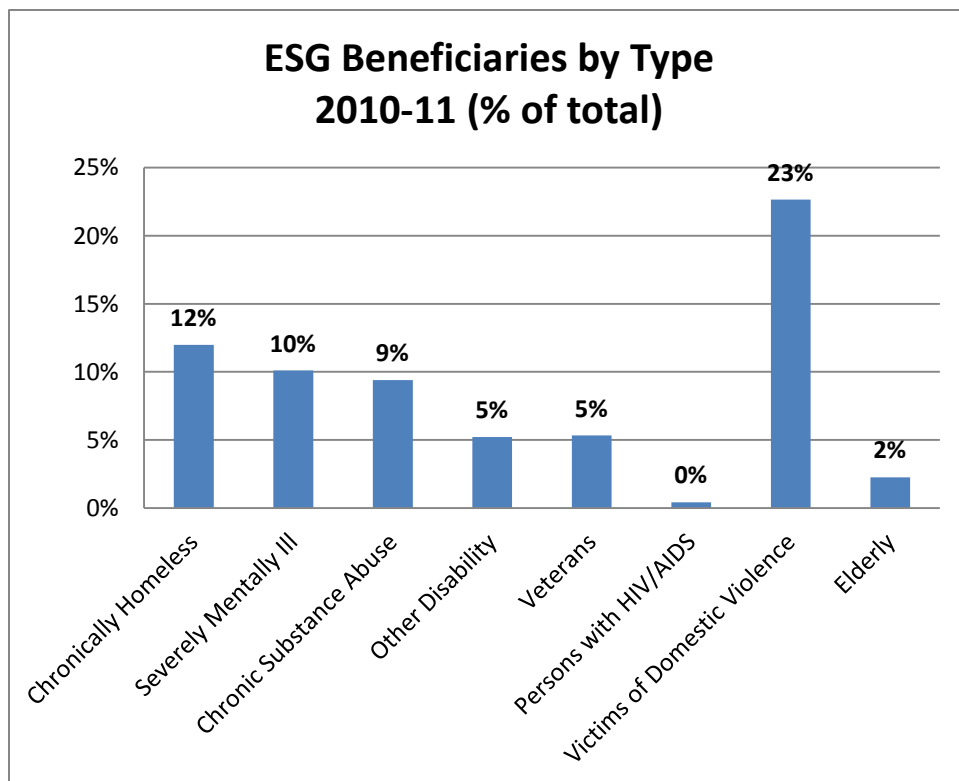
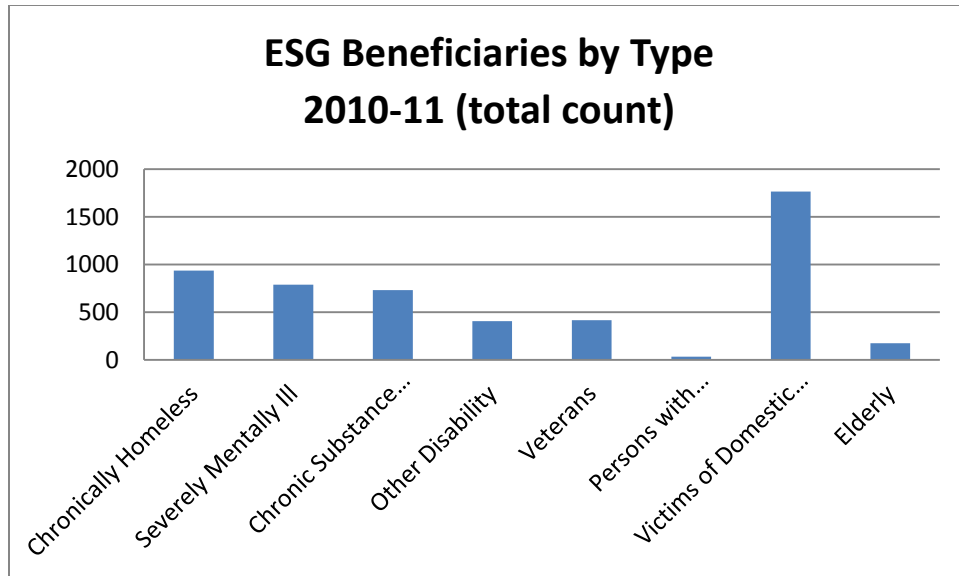
Eligible applicants for ESG are nonprofit organizations, units of local government, and public housing authorities who currently provide, or plan to provide, shelter and services for homeless individuals or families in Virginia.

ESG funds may not be used for any of the following activities:

- persons who are not homeless
- prevention activities
- emergency shelter when payment or compensation is required
- transitional housing or any other housing for the homeless if:
 - the applicant receives a HUD supportive housing grant, Section 8 Program Subsidy, or any other government rental subsidy to operate the facility
 - program fees charged exceeding 30 percent of the resident's income
 - the total annual income from rents exceeds 50 percent of the last year's total budget for the transitional housing program
- staff costs exceeding 10 percent of the award
- purchase of real property
- building conversion, shelter renovation, rehabilitation or repair, or the costs associated with these activities
- the provision of beds for which third party payments are received
- costs associated with audits
- purchase of computers
- travel or staff training.

Activity and Beneficiary Data

ESG funds administered through the Department served to provide shelter operating costs, limited essential services and administrative costs to support 38 homeless service organizations consisting of 47 homeless services programs in non-entitlement areas across the state of Virginia. Supported programs included both emergency shelter and transitional housing. During the 2010-11 program year 7,806 individuals were served through these programs through the shelter program and non-residential services (See attached PR19).



Source: PR19

Note: The sum of beneficiary categories could be greater than 100 percent due to some beneficiaries being included in more than one type.

Homeless Discharge Coordination

The Commonwealth has developed and implemented, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly-funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. Efforts are currently underway by the Homeless Outcomes Advisory Committee's Coordinating Council to enhance this coordination. The advisory committee started meeting in June 2010 and has proposed several action steps that are outlined in the chart below.

Goal 5. Evaluate, develop and ensure implementation of statewide, pre-discharge policies for foster care system, hospitals, and mental health and corrections facilities.
Strategy 5.1. Improve discharge policies and procedures for foster care.
<ul style="list-style-type: none">○ 5.1.1. Develop a pre-discharge protocol requiring that all youth have a discharge plan that: (1) specifies an appropriate housing arrangement; (2) guarantees access to supportive services; and (3) connects them to education.
<ul style="list-style-type: none">○ 5.1.2. Develop a pre-discharge protocol requiring that, where possible, youth are not to be released from the foster system before the terms of the discharge plan have been met.
<ul style="list-style-type: none">○ 5.13 Develop foster care policy that integrates adult services housing options for the older foster care population.
Strategy 5.4. Strengthen mental health and health discharge protocols and policies.
<ul style="list-style-type: none">○ 5.4.1 Educate hospital discharge planners about resources for individuals who are homeless.
<ul style="list-style-type: none">○ 5.4.2. Require that mental health facilities document and report the number of patients that are discharged into shelters.
<ul style="list-style-type: none">○ 5.4.3. Provide training to Continuum of Care to apply for affordable housing units for individuals with mental illness and substance use problems.
<ul style="list-style-type: none">○ 5.4.4. Develop protocols for hospitals to link veterans with services offered by the Veteran's Administration and the Department of

Veteran's Services prior to discharge.
Strategy 5.5. Improve Corrections Discharge Policies and Procedures.
<ul style="list-style-type: none"> ○ 5.5.1. Develop a pre-discharge protocol requiring that all inmates have a discharge plan that (1) specifies an appropriate housing arrangement; (2) identifies prior military service; (3) includes a mandatory re-entry programs; and (4) connects them to support services.
<ul style="list-style-type: none"> ○ 5.5.2. Require all state prisons as well as regional and local jails to identify inmates with prior military service using their electronic case management system.
<ul style="list-style-type: none"> ○ 5.5.3. Require that the Department of Corrections document the number of offenders released without viable home plans and the reasons why plans could not be developed.

Attachments



Virginia Department of Housing
and Community Development

Small, Women and Minority – owned businesses (SWAM)
Policies and Procedures

On July 30, 2004, the Governor's office mandated that each agency and institution of the Commonwealth shall adopt an annual Small, Women and Minority – owned businesses (SWAM) Procurement Plan.* Please review the agency SWAM Procurement Plan located in the SWAM section of this guide.

DHCD is strongly committed to the establishment, preservation and strengthening of small, women- and minority- owned businesses. These businesses will be identified, solicited and encouraged to participate in the procurement activities of the agency and records will be maintained documenting such solicitation efforts and participation.

Solicitations obtained under \$5,000 will include a written quote from one (1) or more SWAM certified vendor. Exceptions must be approved by the Associate Director of Administration.

Solicitations obtained over \$5,000 and up to \$50,000 will include a minimum of four (4) valid sources, including a minimum of two (2) SWAM certified vendors in writing or electronically.

Solicitations over \$50,000 will include a minimum of six (6) valid sources, including a minimum of four (4) SWAM certified vendors in writing or electronically.

Any solicitation wherein the aforementioned number of SWAM businesses cannot be solicited requires advanced approval and must be documented in the comments section of purchase order for approval.

If buying staff is unable to locate or solicit a quote from a SWAM vendor, please contact the Procurement Office.

The award will be made to the lowest responsive and responsible bidder; however, the award may be made to a reasonably priced minority or women owned business that is other than the lowest priced bidder

When a SWAM vendors price is considered unreasonable please solicit more than one or the required minimum.

Documentation requirements

A detailed record of the quotations must be kept with the file for audit purposes. If more than one quote is solicited, the award should be made to the lowest responsive and responsible bidder. Documentation for phone, fax, or written quotes **shall include**:

- Names and addresses of the vendors contacted
- SWAM designation (Small, Women-Owned or Minority Business)
- Detailed item description or service requested/offered
- The quoted price
- Delivery dates and/or F.O.B. point
- Vendor contact person(s) providing prices
- Date the information was obtained

If the SWAM vendor is not DMBE certified, complete the purchase with them and document the file as outlined above, but encourage them to contact the Department of Minority Business Enterprise to become certified.

If adequate competition is not available, document the procurement file with the efforts made to include the appropriate number of minority or women-owned businesses. Because of these new requirements, procurement planning that ensures that the requisite SWAM vendors are included is very important.

Exceptions

The only exceptions to these requirements are when the procurement is issued against a DHCD or state contract.

Vendor Registrations

Vendors need to be registered in the following areas:

- eVA - Need to verify that the vendor is an eVA registered vendor before issuing a purchase requisition or purchase order.
- DMBE - SWAM vendors must be certified with the Department of Minority Business Enterprise.
- Locating SWAM Vendors

One source for locating certified minority businesses can be found on the DMBE Web site at: <http://www.dmb.e.state.va.us/vendors.html>

* For instructions on locating a SWAM vendor please review the DMBE Vendor Search section of this guide.